SUSTAINABLE HUMAN RESOURCE MANAGEMENT: A LITERATURE-BASED CONCEPTUAL STUDY AT IT SECTOR

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Abstract:

Retaining and managing talents is very important in the present competitive world, especially in the knowledge-intensive sector like IT companies. Better HR practices and implementation of the knowledge management process can enhance employee performance and that leads to sustainability. The intention of this paper is mainly to concentrate on the sustainability of human resources by effective utilization and implementation of HR practices and better knowledge management process can enhance the overall organisational performance with that it is easy to sustain the human resources in an organisation.

Keywords: Knowledge, Training, Organisation, Sustain, Competitive

Introduction:

The present paper places the foundations for the best practices of knowledge management and find the degree of awareness and implementation of KM principles and practices in Indian information technology (IT) companies.

Knowledge is a great asset in the company and needs to be managed in the right way to reach the company objectives. Maintaining knowledge is not so easy task for HR, if they manage the knowledge has become vital to success. Knowledge is not reduced even if consumed rather it improves the way of thinking, analytical skill, and the right way of using where it is applicable. Knowledge is not lessened when there is consumption and transfer to someone. Knowledge can be created by necessary training, and proper education. Most of the knowledge is available in tacit form by providing the necessary and relevant training to the employees and the result is short-term due to employee movement.

With the support of the internet, the sources of knowledge are profusely available to everyone. After the growth of industry called the industrial era, it has given the chance to boost the knowledge economy. Before the industrial era, most of the worker’s movement is in a physical way than smart work and those employees call in the name of traditional workers. In a knowledge economy, that percentage has come down to less than fifteen percent (Bart, 2000).
The concept of knowledge as a decisive factor affecting an organisation’s ability to gain a competitive advantage (Von Krogh et al., 2000) has been steadily gaining prominence in the present global era over the last few years.

In the traditional economy, more workers are involved or it is a labor intensive area. Now the style of working is changing with Knowledge based and relatively flat organization. The organization becomes flatter than before. The recent trend in the organization follows the flat hierarchical structure making them relatively flat. The knowledge based worker always requires more collaboration, sharing values and knowledge along with proper prototypes. To understand and measure the employees on their knowledge is on how quick in understand and learn the process and share the same among themselves apply appropriately in the organisation to sustain their growth. As per Davenport (1998), a learning organization is one that takes decisions based on knowledge that has been created, assimilated and diffused. To sustain in the present day’s business need to be learning every time and keep their eyes and ears open for further learning.

According to “Branin (2003) KM practices can be defined as the manner of translating ideas into actions to attain particular goals.” “Practicing successful KM strategies within the organization can lead to achieve the following advantages (Wamundila and Ngulube, 2011): (1) enhance customer services; (2) apply various quality methods to gain faster innovation processes; (3) improve communication and collaboration between all stakeholders; and finally (5) achieve financial goals.”

“In line with the technology advancement, human resource professionals have inevitably involved in facing the “talent crunch” (Rao, 2015) and undertaking the “Global War for Talent” (Ng, 2013) to recruit that personnel who are highly talented, skillful, knowledgeable and potential for innovation and development.”

“This makes people as creators and holders of knowledge, with high potential and distinguishing competencies (Ubeda-García et al., 2013) by sharing ideas, opinions and experiences that contribute to develop the organizational knowledge base (Monavvarian and Khamda, 2010), knowledge acquisition and knowledge sharing are required by the organization to gain a competitive advantage and organizational performance (Hsiao et al., 2011).”

“On the other side, organizations are facing the challenge to create, improve and manage new knowledge assets and transform them into social and economic value (Pinho et al., 2012).”

Today knowledge management (KM) is in a state of high growth, especially among the business industries. As the performance metrics of early adopters are documenting the substantial benefits of knowledge management, more organizations are recognizing the value of leveraging organizational knowledge. Today KM and its related strategy concepts are promoted as important and necessary components for organizations to survive and maintain their competitive keenness. At present IT is functioning to a greater extent. It is appropriate to note that they need to differentiate themselves from each other. They are working towards the employee who is very much passionate about updating their knowledge and skills suitable for the present and future for their sustainability in the company to reach the company objectives and strives towards the greater height. The organization should concentrate and take care of their human power to make use of them completely with the fullest potential and intelligence internally. This is practically applicable and true in knowledge-based industries such as the IT sector. In context to these attracting talents, retaining human capital, and managing effectively with their knowledge and talents to deliver it to the high performance with innovative ideas is a great difficulty and challenge to the IT sector.

Among other processes of knowledge management, knowledge sharing has been identified as the most vital one. As identified by Witherspoon, Bergner, Cockrell, and Stone (2013), knowledge sharing is a building block for the success of the organization and it is being adopted as a survival strategy. “KM and HRM can play a crucial role also in developing economies (Teele Michael Tessema and Soeters, 2006; Lwoga et al., 2010). Especially in India, where basic educational institutions, advanced research centers
and world-class management schools provide qualified human assets, the effective management of knowledge and human resources can attract companies interested in investing in knowledge-intensive industries (Malhan and Gulati, 2003); this makes knowledge burst and information distribution as key enablers of global development strategies (Thakur and Sinha, 2013).” The Indian IT companies have to give more importance and attention to investigating in such a direction where knowledge management leads to continuous development. “A recent study concluded that Indian companies influence positively on knowledge management effectiveness by measuring in terms of better communication, enhanced skill, improved decision making and increased productivity (Bharadwaj et al., 2015).” “KM is about capturing, developing, organizing, sharing, applying and exploiting knowledge assets within the firm to gain profitability and sustain the competitive advantage, with a central role played by the individuals (Omotayo, 2015; Inkinen et al., 2015).” Lack of communication in an organization has been identified as a barrier to knowledge sharing and transfer (Chen, Sun, & McQueen, 2010). Communication is assumed to be the facilitator of knowledge sharing and transfer (Nakano et al., 2013).

The impact of knowledge management on sustainability has been studied and compared with some companies and found some skills adopted in different companies. Some companies are following the six-sigma methodology and recommended for team-based learning that increases technical and statistical competencies and other companies they are following the nine-pillar model which is used to develop managerial skills and groom team members to enhance commitment-based learning and knowledge acquisition. Most of the companies have accepted that by providing necessary training like on-the-job training and off-the-job training with leadership development and another internal education program for quick improvement by using multi-skill-training of the employees, a high level of self-efficacy of the employee would be developed and improve their abilities to exchange with others (Cabrera and Cabrera, 2005).

Few of the reviews also reveal that to sustain and participate in the competitive era the Knowledge management manager and HR managers should motivate their employees to undertake the learning process as well as acquire and share the knowledge.

Research Methodology:

This study aims to systematically determine the effect of KM on organizational performance with the best practices of HR leading to sustainability. For this reason, a systematic review of the articles that investigate on sustainability is discussed. By using articles & Journals for the study to be addressed here.

Statement of the problem:

Employee are assets of an organisation. Hence sustainability of existing employees is a key factor for organizational growth. To sustain an employee in an organisation proper knowledge management process and procedures to be analysed. A proper guidance/ sharing of knowledge/encouragement skill related to the job processed to compete with the present era.

Objectives:

1. To understand the knowledge management at IT companies.
2. To Examine the impact of knowledge management on sustainability.

Scope:

The HR practices concentrate more on work-life balance, satisfaction, rewards & recognition, compensation, talent management are the factors of sustainability. Among that knowledge plays a major role in the present scenario as there is rapid growth in the IT sector enhancement of knowledge and skills are very much required for sustainability.
Literature Review:

(Kumar & Kalva, 2011), in their studies speaks about KM practices, programs and processes which implement Knowledge management successfully and provide the path to achieving KM. Effective leadership can implement successful KM in an organization. And researcher also specifies that knowledge creation and sharing culture empowers individuals and supports informal networking and encourages knowledge sharing across the organization. And also speaks about a well-developed infrastructure that supports collaborative work should be established.

(Gope et al., 2018) in this study revealed that the resources based view of the organization where ensures a key role in the business sustainability as they are unique for each organization and contribute to creating specific human capital skills as well as valuable, rare, inevitable and non-substitutable knowledge, which can exploit into the organizational strategy(Barney et al.,2001). And also describes that the operationalized its own set of HRMP, by highlighting the impact at the level of knowledge acquisition and knowledge sharing process. Particular attention is reserved for those actions that specifically focus on nurturing and managing of talents, which play a key role in achieving the organizational goals (Daraei et al., 2014), in developing innovation, and building a durable competitive advantage (Schuler et al., 2011).

(Al Rashdi et al., 2019), in their studies consider the reviews of some literature on knowledge management which specifies about knowledge management and organizational performance are the key indicators that are preferred and dominated by conceptual studies. And also found that scarcity of mediators or moderators to understand the effect of KM practices on organizational performance.

(Mikalauskiene & Atkociuniene, 2019), When analyzing knowledge management in the context of sustainable development, it is important to stress the cognitive sustainable development dimension: development is valued as a learning process that is creating local knowledge and applying global knowledge when opportunities to form spaces that are open from a social perspective and manage knowledge as common society wellness appear. The application of knowledge management in order to implement sustainable development goals attaches great importance to creativity, and innovations, and as a consequence, structural human and social knowledge increase, renew, and improve.

Sheetal Mahender et.al. (2021), reveals in their study that a strong positive correlation between the performance of the organization and employees with strong knowledge management. The study proves that apply various strategies to gain competitive advantage, enhance the organizational learning and thereby increase the effectiveness of the organization(Yang, 2007), KM enhances the competitiveness and the performance level of the organization and hence it can lead to enhanced job performance(Masa’deh,2017), and increase productivity among employees, and also helps the employee to become more flexible and leads to job satisfaction and highly motivated at IT companies.

(Stefańska, 2021), speaks about the measurement of sustainable human resources management considering the satisfaction of individual needs is promoted and in the other hand keeping the competitiveness of a company is also supported by SHRM. And the empirical analysis shows that companies are really interested to implement the SHRM. And it also analyses the applied research approach by enhancing employability, and promoting individual responsibility providing a proper harmonious work-life balance. Efficient measures are initiated to enhance motivation for continuous education and taking on individual responsibility. Author speaks about Knowledge management as an essential tool to improve the competency among the IT companies by adopting the best practices, cross-functional ideas and improving the opportunities for innovation and also describe the definition of Knowledge management.
Facts & figures:

- Knowledge sharing in IT companies comes out at 72.17%.
- 79.75% of learning is chosen from the knowledge Management at IT companies.
- The organizational culture is reached up to 73.38% with the implementation of the knowledge management process.
- The assessment mechanism of Knowledge Management comes out at 61.38%.
- The knowledge used in IT companies comes out at 71.13% by using the knowledge management index.
- The knowledge management architecture in the sample units comes out at 64.75%.
- The acquiring knowledge in IT companies comes out at 85.73%.
- Management has to adopt a collaborative climate for creating and sharing knowledge, providing recognition and rewards to those who significantly contribute to the knowledge effort, and providing technical resources to facilitate the access, use and sharing of the knowledge.
- The basic steps in the change management mechanism include knowledge management practices at various levels in the organization.
- Sharing of knowledge can take place through quality circles, review meetings, shop level meetings, through problem-solving, informal discussions, on-the-job training through various assignments, face-to-face interaction and work instructions given in the job card.
- The basic functioning of knowledge management is to manage and transferring of information and create information that the employee must know each other and practice the same.

- The survey asked (with the technique of open questions) the company representatives for terms (key words) and instruments they considered as important in the context of “sustainability in human resource management”. The evaluation of this shows more than 300 different key words which were grouped into 20 categories.
- About 90 percent of the companies align their human resource management to enhance the individual responsibility of employees. This is of crucial importance for sustainable human resource management. The enhancement of individual responsibility has a high significance, especially in Austrian companies. In comparison to other countries, French companies consider this aspect as the least important. Small companies attach significantly higher importance to employee-oriented goals (e.g. self realisation, pleasure at work, individual responsibility, quality of life and social contacts) than larger companies.
The figures correspond to the number of enumerations within the category (N_{total} = 1’947)

Source: https://www.researchgate.net/publication/276906300

Report regarding sustainable human resource management (N=960)

Source: https://www.researchgate.net/publication/276906300

Telework enables the employee to work at home or from telecentres, which allow location independent work forms. 5 percent of the interviewed offer this type of work form systematically; about one third in individual cases. The frequency of use varies significantly amongst the surveyed countries. Telework is most popular in Germany, Austria and the Netherlands (in at least 70 percent of the cases, a systematic or individual case oriented application is reported). A specially large
number of telework occurs in computing/information/communications. Telework is seldom offered in French, Italian and Spanish companies. The same is valid of industrial and construction companies as well as of healthcare and the public sector.

Findings:

- Fifteen percent of traditional work has come down due to the knowledge economy said by (Bart, 2000).
- With the effective leadership, Knowledge management can implement in the organization with great success and also knowledge creation and knowledge sharing culture empowers individuals lead to sustainability.
- Found that there is a scarcity of mediators or moderators is required to understand the effect of Knowledge Management practices on organizational performance.
- Some researchers specify that knowledge management is an essential tool to improve the competency among IT companies by adopting best practices.
- Few reports stated that knowledge management is not only the tool for sustainability of human resources apart from that there are certain parameters to be consider for sustainability such as Environment, culture, innovation, strategic planning, stability, quality, controlling, communication, incentives/rewards, HRD, leadership etc.

Suggestions:

- Physical work cum smart work both are required for the present era due to more individuality in present job condition (ex: Marketing executive, tele callers etc.).
- Proper planning and implementation are also a part of a good leader to maintain knowledge managers for sustainability.
- Companies can concentrate more on the company environment, and culture, look for innovation, plan for stability, provide better communication to resolve the issue, and make employees satisfied which leads to sustainability.
- Better HRD practices and knowledge management can implement by looking at the employee’s level of knowledge and their commitments to the company can lead to sustainability.

Conclusion:

Knowledge management is the biggest factor for competitive advantage for any organization. Today, organizations are realizing that Knowledge Management (KM) is a valuable asset that can be managed as effectively as physical assets in order to improve performance. With the growing competition day by day, every organization needs to innovate and implement new and exemplary methods to sustain themselves in the competitive world. Innovation comes with knowledge both tacit and explicit contributed to the organization by its human resource. Following the resource-based view of the organization (Wright et al., 2001), HRM system and routines assume a key role to ensure the business sustainability, as they are unique for each organization and contribute to creating specific human capital skills, as well as valuable, rare, inimitable and non-substitutable knowledge, which can be exploited into the organizational strategy (Barney et al., 2001). Indeed, successful implementation of HRMP helps organizations to learn quickly and apply the acquired knowledge faster than competitors, thus becoming more competitive. Thus, HRMP through KMC increases organizational learning that is significant for innovation and sustainable competitive advantage, especially in knowledge-intensive industries (O’zbag et al., 2013). Knowledge management and sharing are the most significant areas for future research. However, the nature and method of such processes will vary from organization to organization to meet the potential challenges.
Reference:


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