

LEADERSHIP STRATEGIES FOR SUPPORTING ORGANIZATIONAL KNOWLEDGE PROCESSES

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Abstract. The main goal of this paper is to present leadership strategies throughout which may be supported and improved the mechanism of organizational knowledge creation. First, we present perspectives about the role and influence of leadership for organizational growth. Within this section we bring to light and comment some strategic leadership tools available to use in order to stimulate organizational knowledge creation. We briefly present the knowledge dynamics processes and also their characteristics as opportunities for the organization. Further we argue that organizational knowledge creation is a core competence of the organization and leadership has the role to develop it as well as possible in order to strengthen the organization in its battle against competitors. Through our research we acknowledged that organizational knowledge creation is the process of making available and amplifying knowledge created by individuals as well as crystallizing and connecting it to an organization's knowledge system. Finally we enlarge our vision about how leadership strategies may better support organizational learning creation.
Keywords: leadership strategies, strategic thinking, organizational integrators, knowledge creation.

1. KNOWLEDGE DYNAMICS PROCESSES

Knowledge has been a favorite topic in philosophical discussions and today fulfills a similar role in scientific research and a greater role within the business sector. Since the time of ancient Greek philosophers' views regarding knowledge and the concept of knowledge were shared. In Plato's view knowledge that we are convinced that we have about a particular thing is not absolute knowledge because there is a possibility, however small it may be, to get deceived. [3] In this paper we consider the following perspective on knowledge: Knowledge is processed information in order to better understand the phenomena that occur around us. A basic thinking process starts with analyzing some information and this step will lead to answering the question “WHAT ?” Thus information tells us what exists around us and what the problem is about. For further understanding we recur to knowledge. Knowledge is processed information (as already mentioned) that gives us the explanation of “HOW” things work in our life, or of “HOW” we shall get to solve a certain problem. Another step forward we appeal to intelligences as these can answer a critical question – the “WHY”. Intelligences are those that process information and knowledge and help us understand what happens around us in order to make the best decisions. In the decision making process, moral values, play an important role because they are existential and professional landmarks which we actually learn from our cultural, social, economic and professional environment. Values don't answer any questions because through their nature they represent actually the decisions we make. Any decisional process integrates three components: the rational, the emotional and the values. [4]

Referring to the concept of knowledge dynamics we approached the description of knowledge conversion phenomenon through every step of conversion. In theory, the dynamics of knowledge has become a concept that is identified by four conversion processes that occur between tacit and

explicit knowledge. The first process is *socialization*. Knowledge is gathered from tacit knowledge of another person. Learning occurs not by speech or training, but through observation and imitation. Socialization process is considered, by Nonaka, as the most important type in the knowledge transfer cycle because it involves the transmission and transformation of key knowledge generated at individual level. [14] Tacit knowledge is generated by direct experience of people and is located in the non-rational thinking of individuals. Nonaka and Takeuchi [12] point out that "Tacit knowledge is highly personal and hard to articulate, which makes it difficult to communicate and share with others. In this category are included personal ideas, perceptions and intuition. Knowledge also includes ideals, values and emotions and images or symbols." [12] Successful leaders use these features of tacit knowledge and are able to inspire and motivate those they lead. Socialization is an opportunity to participate in and share experiences as well as a way of learning through sharing of tacit knowledge. By this way, observation and imitation learning, inexperienced youth persons can acquire real lessons from experts in various fields. Socialization is a process from which it can benefit the organization or department outside work, such as during meetings with customers, suppliers or other employees. However, an interesting aspect is that only people with a high degree of understanding and expertise are able to transfer tacit knowledge to others. [11]

Considering these ideas, a genuine leader must acknowledge that an organization cannot create knowledge through itself but through its employees. Experience and knowledge that is enriched during practicing represent the human capital and it is specific to every employee within the organization. Leaders should try to create stimulating organizational environments in order to enhance employees to transfer knowledge among them and this way to valorize it at the organizational level. [4]

Externalization is transforming tacit knowledge into explicit knowledge through the use of metaphors and analogies or gestures and body language. As soon as knowledge becomes explicit it can be shared, disseminated and transferred to others through different means of communication. "Of the four knowledge conversion processes, externalization is considered the key to knowledge creation, as it leads to new concepts through the explicit expression of tacit knowledge". [13] However, externalization is a process of reasoning and efficient conversion success depends on the ability to use metaphors, analogies and cognitive models. Metaphors play an important role in creating new concepts and theories based on previously assimilated knowledge. For example, to appeal to the metaphor of energy transfer of Andriessen & Brătianu through which they suggest that externalization can be compared to the phenomenon of conversion of potential energy into kinetic energy. [8] Through this metaphor they mean that the externalization potential of knowledge may materialize, it may produce effects and this way knowledge can be codified, disseminated and stored. Efficiency of externalization depends largely on the level of education and motivation of individuals. *Combination* is the third process and is seen as a stage in which knowledge is mixed and new explicit knowledge are structured to integrate the body of explicit knowledge already present. According to Nonaka, Toyama, Byosiere [13] "*in reality involves combining three processes. First, explicit knowledge is collected from inside to outside the organization and then mixed. Secondly, new explicit knowledge is*

disseminated to members of the organization. Third, explicit knowledge is edited or processed within the organization so that it becomes easier to use." [13] Unlike externalization it is a process that takes place at the individual plan, the combination is a social process that is based on the transmission of explicit knowledge. ([6] in [11])

The last process is the *internalization*, the newly perceived explicit knowledge will be transformed back into tacit knowledge. Internalization closes the cycle of knowledge creation and is an ongoing process that is based on social interaction. According to Nonaka, Toyama, Byosiere (2001, p.497), "Internalization is a process of converting explicit knowledge into tacit knowledge. It has a very close connection with practical learning. By internalization, the generated knowledge is shared within the organization. Internalization of knowledge is useful for expanding, extending and rearranging the tacit knowledge belonging to members of the organization." [13] Knowledge becomes internalized through the process of their integration among existing knowledge. This process increases the chances of an individual to participate in a process of socialization and continuous exchange of knowledge leads to the development of knowledge spiral. Internalization closes the cycle of knowledge creation and is an ongoing process that is based on social interaction. Socialization and combination of knowledge transfer are processes that we find in a social context, while externalization and internalization are knowledge conversion processes on individual level, the organizational knowledge creation is a continuous process that evolves through knowledge spiral. [11]

Lately discussions about knowledge dynamics bring into focus Brătianu's model because of its novelty side. This innovative model presents a series of new concepts (knowledge dyad cognitive-emotional knowledge, the principle of thermodynamics) that we believe offer an important added value for understanding this phenomenon. A brief benchmarking (throughout the literature) shows us that the old dyad: explicit knowledge-tacit knowledge is more and more replaced by the new dyad of Brătianu, cognitive knowledge-emotional knowledge.

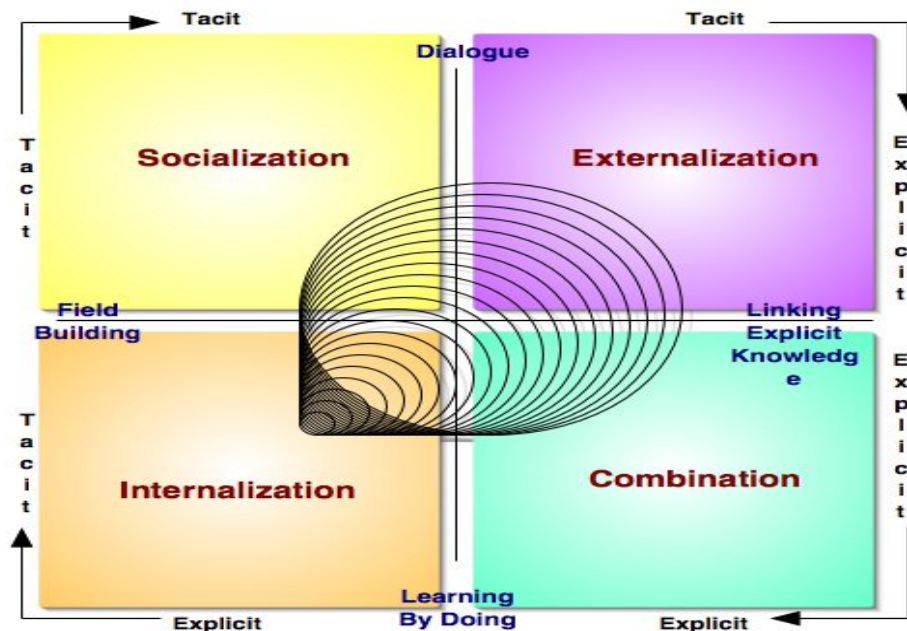


Figure 1. Knowledge Dynamics Spiral [12]

This theory has combined two distinct cultural beliefs. The occidental perspective of differentiation between mind and body which derives from Descartes principle “Cogito, ergo sum!”. In accordance with this *cognitive skills* include the rational cognitive process, assisted experience. Knowledge is regarded as a direct result of the cognitive process, and the mind becomes predominant over the body during learning.

On the other hand there is the emotional component of knowledge that dominated the Japanese perspective of unity between mind and body. Knowledge involves the whole person, mind and body, emotions, perceptions, and the physical side of the matter, and all together they create knowledge. The cognitive process is integrated with the emotional process. Emotional skills have earned the status of "celebrities" due to the development of the concept of *emotional intelligence* by Goleman. [10] The introduction of the concept of emotional intelligence has shifted focus on emotions, they are gaining more and more ground. Emotions occur before cognitive processes. Latest research on brain activity show that the emotional side of the human brain is more developed than the rational and the processes that occur in the human brain are greatly strengthen based more on emotional than on cognitive. The emotional side of the human brain is predominantly unconscious. [3]

Emotional knowledge has two dimensions: time existence and intensity of expression. The first dimension is quantitative and can be easily measured in the laboratory. The second is a qualitative dimension and measurement can be performed with much difficulty. On the other hand, the cognitive skills have only one dimension that is closely linked to the quantity. Thus, the amount of cognitive information has to be measured in a different way in order to quantify the emotional knowledge. Currently the development of knowledge management is one of successive approximations without achievable methods and metrics. [7]

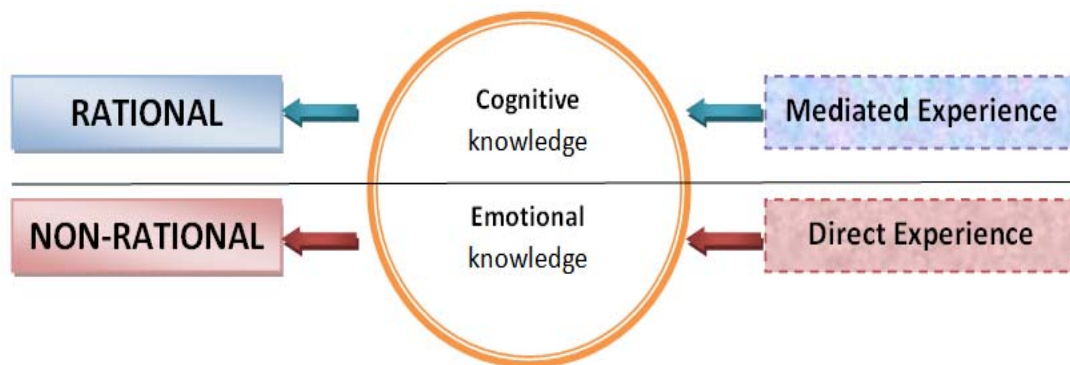


Figure 2. Cognitive Knowledge - Emotional Knowledge Dyad [7]

Brătianu’s new paradigm is useful in order to integrate the emotional dimension of knowledge within organizational knowledge. If the paradigm based on Newtonian dynamics allowed the approach of transfers between tacit and explicit knowledge, Brătianu’s thermodynamic paradigm brings a considerable advantage namely it supports the reflection of another dimension of knowledge, called intensive dimension. For emotional knowledge this intensive dimension allows to measure the level of knowledge intensity perceived and not the quantity of knowledge. The

association of explicit knowledge with mechanical energy limits them to one dimension, the quantitative one. The association of emotional knowledge with heat (energy) attributes knowledge -as target domain, two dimensions of the source domain, namely the extensive and the intensive measuring quantity that measures the intensity. [3]

The paradigm superiority based on thermodynamic introduced by Brătianu and Andriessen (2008) is that it explains the changes that occur in the cognitive and emotional knowledge. [8] Moreover, the theory of thermodynamics principle consolidated has removed the inconsistencies regarding the transmission of the source influences upon the target domain, limitations that have been observed and discussed regarding the theory of Newtonian dynamics.

In essence, there are plenty options for leaders to consider but the new paradigm of thermodynamics is much stronger and better reflects the knowledge properties and types of processes that occur between them. Knowledge can be better understood through metaphors that have as source field the thermodynamics paradigm. The benefits of this new set of metaphors are: knowledge management can integrate emotional knowledge and emotional intelligence in a new organizational framework; organizational knowledge dynamics can be explained by a more appropriate manner and the decision process can be understood both from the rational and the emotional perspective.[5]

2. LEADERSHIP STRATEGIES FOR SUPPORTING ORGANIZATIONAL KNOWLEDGE PROCESSES

Within this section we shall approach several strategic options that leaders may consider in order to support knowledge processes in their organization. To understand the way companies can pursue their business goals, it may be useful to start from a classic view of business strategy and integrate the use of knowledge as strategic weapon into it. This can also help to improve the management of organizations: the assumption is that, for the majority of managers, an integration of knowledge as a component of traditional strategic frameworks can be more understandable and appropriate than defining completely new models of knowledge management strategic formulations that may appear disjointed from the general view of the company.[15]

Following we shall approach knowledge from different perspectives of integrating it as a strategic weapon for the benefit of the organization. First we want to refer to the learning process which in fact represents a basic process for any other type of organizational knowledge strategy. Thus an important algorithm that should be implemented by leaders with the purpose of stimulating knowledge processes (creation, transfer, sharing and combination) is organizational learning at more than one level. Initially it was studied the learning process and were discovered through three levels or stages of evolution of learning in an organization: simple loop learning, double loop learning and triple loop learning. [16]

Synthetically we express the significance of the three levels. Simple loop learning occurs when individuals improve their current practices and work better. Double loop learning means reshaping of mental models in order to help employees learn to do new things. Triple loop learning, is when individuals induce themselves a transformation upon the context or the perspective they have in order to help them learn, evolve and produce the results they want to

accomplish. In this sense, the learning organization is one in which learning is a key factor which turns (transforms) continuously and enables individual and organizational learning processes for all its members. Within this organization, individual and organizational learning is valued and valued as the primary means of respect regarding the mission, culture, structure and processes.[2] We mention that applying strategies for organizational learning shall lead to long-term and multiple effects like the following. If employees feel they are valued for what they are rewarded for the work that they do within the organization they become motivated to learn and to improve not only the technical skills related to their work but also their communication skills and organizational social nature. Employees learn directly and indirectly through the organizational culture to become responsible for their work.

An organization that supports learning (a learning organization) encourages employees to develop and progress in new areas that could build a career and thus can be avoided departure of employees from the organization. Inside a specific climate of the learning organization, mistakes are forgiven easily and the focus is on exploration. Training activities of on-the-job type imply that employees change their locations to successively broaden expertise and discover their own potential, are practical features of a learning organization.[2]

A general acceptance is that leaders want their organizations to be flexible and responsive, able to change in accordance with changing circumstances. The ideal organization is characterized as “self-renewing” or as a “learning organization,” the term popularized by Peter Senge in *The Fifth Discipline*. [16] The concept has at least two aspects. Not only are all the members, as individual persons, continually learning, but the organization itself is highly adaptable. Putting it that way raises the question of whether an organization can in fact be like a person in its ability to *learn*: to continually modify its shared knowledge and practices in accord with experience. [1]

After reviewing the perspectives of various researchers, professors and business leaders we dare to make our suggestions about what options should be considered in order to adopt a learning oriented leadership. We shall further mention some of our alternatives not in a hierarchical order of relevance but neither in a random order. Leaders should always be aware that in a first instance people learn what is personally meaningful to them. Employees must be carefully motivated and inspired with enthusiasm because people learn when they accept challenging but achievable goals. When trying to introduce changes within the operational or strategic programs of the organization leaders should rely on the principle that learning is developmental and in order to obtain the consent of the employees they should be very well informed about future actions and their purpose. It is a very well known idea that individuals learn differently and thus should be offered many alternatives as for them to feel comfortable to choose whatever suits their personality and way of learning.

As we previously discussed knowledge dynamics is a phenomenon that should be carefully supervised and supported inside the organization. People construct new knowledge by building on their current knowledge – this represents the specific process of knowledge combination – and maybe it is the most popular (as meaning the most frequent and “handy”). The externalization of knowledge is a process that consists in the fact that individuals use what they already know in

order to construct new knowledge. In this sense employees should be motivated and encouraged to feel free to speak up their opinions and solutions.

However, much learning occurs through social interaction – and this represents the process of socialization which reveals the most important type of knowledge (tacit knowledge). Because tacit knowledge can't be exposed by verbal language for them to be shared it is critical that employees meet and work together. Sharing of tacit knowledge (that may be acknowledged or not by the issuer) is possible only through the direct interaction of individuals/ employees. Socialization is a strongly important process for the organization and leaders should award it the due attention. The efficiency of the tacit-tacit knowledge transfer greatly depends both on the availability of the person with greater experience (and knowledge) –the one who shares and the receptivity of the person who is being delivered to the entire knowledge package. Most relevant is that leaders should know that the attitudes of the two actors (giver and receiver) depend on the organizational climate inside the organization and the motivational methods of the leadership. More benefits of providing the appropriate context for socialization consist in the opportunities for social interaction and lead to getting helpful feedback. Learning is influenced by the total environment and a positive emotional climate strengthens learning. In other words, what individuals come to know in their (work) life benefits their colleagues and eventually the entire organization. In conclusion successful learning involves use of strategies related to support organizational knowledge processes.[1], [3]

3. CONCLUDING REMARKS

In a concise formulation we mention as a bottom line of the entire debate that leaders should consider applying good knowledge strategies and always evaluate the feedback. Just like individuals, organizations are also able to continuously improve their ability to gather information and use it to make decisions. Feedback is important as much as knowledge resources are. Another key aspect is knowledge creation. In the same way that employees built their personal knowledge out of the complex environment throughout the learning process, organizations draw upon their knowledge base in order to create new solutions, products and services. Also in comparison with humans, organizations as systems are formed by subsystems. Thus the features of a learning organization might be found not only in the organization as a whole but also in its components. In many occasions individuals learn through social interaction with others who act and think in different ways. An organization might learn (and improve) through the exchange of information between subsystems because, even if they have similar responsibilities, may function quite differently.

Through our research we acknowledged several important issues about which are the appropriate conditions to support organizational knowledge processes. Organizational knowledge creation requires a continuous circuit of discovery, dissemination and sharing of various types of knowledge. Effective leaders know and apply the conditions that promote effective learning. Talented and enthusiastic leaders encourage their employees through strategic actions, like: challenging their employees to accept new challenges in order to develop themselves and the organization; focus the learning on subjects that are personally meaningful for the employees and

emphasize that what they are going to learn is appropriate for their developmental level. More insightful strategies of stimulating employees to embrace faster and easier the learning agenda is to offer them empowerment. Employees are happier and more relaxed if they can learn in their own way, have choices, and feel in control.

Organizations and individuals resemble as they are considered to be opened systems. Like individuals, organizations also have an inertial tendency towards knowing, understanding and learning. The difference is that in order to do this organizations need the employees. An organization doesn't learn and evolve by itself but through its employees and their willingness of providing their capital of knowledge, experience and intelligence towards accomplishing organizational goals. Leaders who want their employees to continue learning should strive to create such conditions for the adult learners in their organizations.

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