

## **The Importance of Knowledge Management: Cases in the Companies of the City Of Hortolandia.**

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**Abstract:** *The goal of this research is to analyze what is the importance of knowledge management to companies' develop in Hortolandia city and which are the method they use develop of this management. Basing in bibliographic studies, we carried out a quantitative case study with 11 companies of the Hortolandia city. The knowledge management is something really important to the organization currently in the market and Just the human can develop this, with their values, abilities, intelligence and their differential, however, the company needs to know how develop and to transmit the knowledge to the organization. However, the results show that the companies of Hortolandia city practice the knowledge management, even though they do not know the term conceptually, they use some methods to transfer the knowledge, but they do not matter to the contributor's develop do knowledge, which is currently an unlimited font of competitive strategies.*

**Keyword:** *Knowledge Management, Intellectual Capital, Competitive Strategies and Knowledge.*

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### **I. Introduction**

The scenario has suffering great changes to take decisions in a market as competitive as the current one. In the old days, what developed the company was their machinery, the production, there were no major competitions and the organizations could dictate their own politics to stand out in the market. However, with the advance of technology the market started to stay demanding, the competition begins to bother and the organizations need develop new methods to decision making. Methods of continuous learning and of a more dynamic system at work environment. (SILVA FILHO & SILVA, 2013).

Thus, it sets a new market survival scenario, in which intellectual capital is ahead of financial capital (SILVA FILHO & SILVA, 2013).

The human capital or intellectual capital is what we call intangible benefits that beget medium short-term result. It's something important for the organizations, because they developed values and different reasons in the market, that is the knowledge, the truth wealth of an organization (ANTUNES & MARTINS, 2002).

The knowledge is a mix of experiences, values and several elements that become difficult to put in words, because it makes part of human complexity (DAVENPORT & PRUSAK, 1999).

The knowledge exists inside each one; it is part of the day to human. Point Nonaka&Takeuchi (2008), which Japanese culture encourages companies to invest in tacit, claim that their employee expertises add economic value to the company. However, they classify the knowledge in explicit and tacit.

The explicit knowledge can be transmitted fast to the individuals, formal and systematically, like sharing in form of data, scientific formulas and visual resources. The tacit knowledge is not easily visible and explainable, on the contrary, it is highly personal and difficult to formalize, because is something rooted of individual's action, values, ideas, perceptions and experiences (NONAKA&TAKEUCHI, 2008).

The knowledge is something that increase according we use, and the companies increasingly accept the challenge of the knowledge management, that is enable the use of knowledge in organizational level (CANONGIA, SANTOS, SANTOS, 2004).

The concept of knowledge management parts of the premise that all knowledge exists in the people mind. And Santos et al. (2001) argue that the knowledge management at organizations search identify, create, renew and apply the knowledge of their employees of strategic way in the company's life, can be bigger competitive advantage.

According Davenport and Prusak (1999), managers before some decision-making seek to appeal to people, because provide more knowledge than the bank of data. Consequently, the success of companies is more dependent on the administration of intellectual resources than the production.

However, the Knowledge Management has developed to manage this intellectual capital, to reconcile the knowledge that meets their employees with the information of company's information system.

Nevertheless, we want to analyze in this article, what is the importance and the model of knowledge management, which the companies in the region of Hortolandia are using to their development. We will deal with some theoretical fundamentals about knowledge management and analyze data through researches fulfilled in the companies of the region of Hortolandia.

## II. Theoretical Foundation

### 2.1 Knowledge Management.

The knowledge management deals with knowledge administration in the organizational environment that is of individual property, but can be sharing and aggregate value in administrative processes (SILVA FILHO & SILVA, 2013).

In addition, can be an organizational strategy, the knowledge management had been more developed from the decade of 1990, with the emergence of the information age, which, the strategic focus began to be the human capital (SILVA FILHO & SILVA, 2013).

The human capital, that is the knowledge, is different of data and information. Data are sets of different factors and objectives that describe Just a part that happened, not providing interpretations made through data provided, that will make a difference, giving form to the data. Although, the knowledge is more complex, is the mix of several elements, experiences, values, contextual information that will give structure to an evaluation, and generate an action. In addition, this knowledge can be transmitted through structural, like books, and personal contacts, from conversations to learning relationship (DAVENPORT & PRUSAK, 1999).

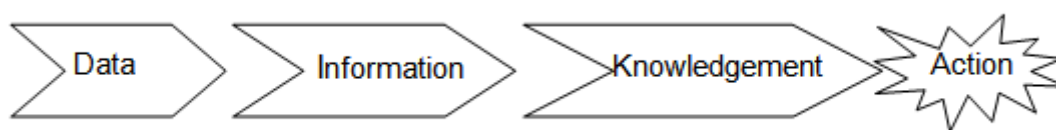


Figure 1-Data/Information/Knowledge

source: PONCHIROLI & PEREIRA FIALHO, 2005.

However, the human adds values in the organization, because they become data and information in knowledge (DAVENPORT & PRUSAK, 1999).

Organizations generate and use the knowledge to extent that they Interact with their environment, that, absorb more information and become them in knowledge (DAVENPORT & PRUSAK, 1999).

In addition, for the knowledge management thrives, the organization needs to create a set of function and qualifications to develop the learning work, distinguish and use the knowledge (DAVENPORT & PRUSAK, 1999).

However, the creation of an organizational environment with base on the knowledge management, require cooperation with three dimensions: infrastructure, people and technology. The infrastructure seeks to create an environment that involves organizational structure. The constant search, encouraging creativity and the sharing of knowledge characterize the people. In addition, technology is like a support. Have these three dimensions, it is possible to generate, code, and share the knowledge in the organization (PONCHIROLI & PEREIRA FIALHO, 2005).

Second Santos et al. (2001) there are some dimensions that the knowledge management faces to it development, which is, to influence the employee's behavior and make with the leadership of organization understand the management idea.

Few organizations that have notion of knowledge which have and need, that is why, is essential to know to manage effectively and makes available (PONCHIROLI & PEREIRA FIALHO, 2005).

However, the tendency of people currently is retain their knowledge, even though it is not intentionally, but depending on the environment you are, they do not fell motivated to show their knowledge. In addition, for what the knowledge management develop results is essential that the high administration is linked to the strategic planning and develop an infrastructure proper to a job in set that occurs the sharing of knowledge (SANTOS et al., 2001).

In the organizational environment, the best results are obtained in Jobs in teams, because the individual work is not profitable in a market, requires more knowledge, requires more complex decision and only a job in

set is possible to attend the market requirements and develop new methods of competitive strategies in this demanding market (PAIVA, 2016).

Then, we can see the growing influence of the knowledge like a new model of management (DAVENPORT, 1999).

## **1.2 Knowledge management in the organizational environment**

Various specialists and researchers like Davenport (1999), Prusak (1999), Silva Filho (2013), Silva (2013), Nonaka (2008) and Takeuchi (2008) started to encourage the creation of knowledge such font of competitive advantages and of sustainability in a society of the information ages (GARCIA & COLTRE, 2017).

Lockheed Martin, bigger producer of army products of the world, developed a system to hitch the performance of each employee with the organizational objective. The data collected, through the knowledge management, to analyze who have great potential and of that need monitoring to develop more (DAVENPORT, HARRIS, SHAPIRO, 2014).

The Sysco, the company of food products made the analysis of job's force, and saw the job's ambient, employee's satisfaction, the productivity and retention. The analysis verified that employee more satisfied in job ambient, retained higher revenues, lower costs and a big number of customer loyalty. Concluding that, actions which retain and develop talents give more results in the organization's business and according Davenport, Harris and Shapiro (2014), the Sysco spared almost US\$ 50 million with hiring and training of employee, but through the analyzes they can develop methods that retained the great organization's talents, decreasing the number of layoffs.

Google, multinational company of online services, uses data of employee development, that is purchased of its department of talent's analysis, to interfere more adequately in the employee's develop of high and low develop to be success. Laszlo Bock, Google's vice-president of people, claim that "The people of Google says that there are three things that hold them here: the mission, the people's quality to learn about leadership or a best entrepreneur" (DAVENPORT, HARRIS, SHAPIRO; 2014).

However, the Google develops projects to better develop its officials and retain great talents, because the knowledge developed by its employee is the company's greatest wealth, for providing online services is essential obtain knowledgement and permanence in the market.

Besides all these methods, Davenport & Prusak (1999) affirm that to talk is the Best way to work, because talking which happen in many different of company's spaces, are great occasion to transfer knowledgement; it is not always a waste of time.

Talking is the ways to discover what we know and share with who are around of us, like this developing a new knowledge to the organization (DAVENPORT & PRUSAK, 1999).

The hiring between professional is indispensable to the creation of an information flux and knowledge exchange. Creates a Bond of trust and affinity, that Will result in more motivation to exchange effective information (ALCARÁ et al, 2009).

In addition, according Davenport, Harris and Shapiro (2014), the performance of organizations of the future Will be more linked to the qualifications and motivation from Who work in that.

It is necessary dialogue, communication and discussion to occur the process of transformation of the individual knowledge to the group. The contact with several viewpoints refer to some content is necessary to sustain a vision, making decision of the organizational. However, the creation of organizational knowledge comes up through the interactions; of tacit knowledge to the explicit development, therefore, the interactions with each other is inevitable (PAIVA, 2016)

### **1.2.1 Tools of knowledge Management**

Guimarães, Lamas and Boscolo (2007) present a survey of practices and tools of knowledge management identified in the literature, that have been more developed to manage the knowledge at companies, that are:

- *Work for senior management to get support of vice-presidents and directors, because there are many challenges and the high administration need to be totally involved in this process since the beginning;*
- *Have the mapping of skills and competencies of each employee, identifying the passed experiences, acquired knowledge, the learned lessons and the professional and personal yearnings. This map would permit to identify key-people in the company, plans for them and consequently, to the related departments. Like mentioned before the people are fundamental parts in the strategies of Knowledge Management;*
- *Improve office layout. An area of coexistence is fundamental for people have a neutral local to meet and exchange ideas. The ambient contributes a lot to the effective exchange of opinions and of knowledge;*
- *A program of mentors and another about incentive to internal and external specialists (some companies call these people "gurus") is something recommended by literature constantly. These two entities make that*

the knowledge not easily measurable be exchanged and that newer and less experiment people have easy access to the specialists;

- Politics of HR are very important, for example, the way how the hiring are fulfilled, the means of identifying and retaining the talents and the politics of remuneration and recognizing to the people's job;
- Encourage the generation of ideas, creating a culture of innovation in the company. The people must feel valued to give and share their ideas;
- Encourage the active participation of the contributors in congresses and seminars. These events are excellent to exchange of experiences and increase of networking.

It is essential that the knowledge acquired be accessible to all of organization, that is why, the technological tools develop mechanisms to manage this precious resource, that is knowledge, that, integrated systems of business management that help the knowledge management (SILVA FILHO & SILVA,2013).

The main characteristics of an integrated system of business management, also known as Enterprise Resource Planning (ERP), it is their ability of integration of systems of almost all organization, flexibility and a fast side dish of changes required by market (SILVA FILHO & SILVA,2013).

Davenport and Prusak (1999) consider the Technologies based on web very intuitive, because they deal easily with representation of knowledge.

Based on web, the Intranet is an ideal tool that enables sharing dynamic information and interlinked in organizational ambient (SILVA FILHO & SILVA,2013).

Other tool is the "groupware" (a software that allows to manage interdependent works), geographically separated, in order to increase cooperation and the communication of work in-group. They use method of distribution of information, available data and documents in a central repository for all system users, independent of the interest of each one, in relation to the received material (SILVA FILHO & SILVA,2013).

Implement appropriate IT tools, the corporate portals have been widely used today many companies have optimized their operations starting from the implementation of these applications. Intranet with friendly navigation, efficient search tools, internal and external information integration, bank of data of learned lessons and good practices, instant messaging system, blogs, yellow pages, virtual ambient for discussion forum and corporative universities are some examples of tools mentioned by the available literature (SILVA FILHO & SILVA,2013).

However, the following table shows in a summarized way some actions that can develop in the organizations to generate benefits, according with knowledge management:

Actions	Development	Benefits	References
Employee performance system.	Leadership monitoring and results analysis.	Through the demonstration of results and analyzes of the leadership is possible evaluate the employee's potential to better develop him and relocate him, in activities that develop more the knowledge and retain great talents.	Company Lockheed Martin: Davenport, Harris and Shapiro, 2014.
Exclusive department to the employee's development.	Development program of career; seminars; benefits; recognizing.	Will be possible to develop project more appropriated to employees develop in the organizational, ambient, that, he will feel more motivated to show his knowledge.	Company Google: Davenport, Harris, Shapiro, 2014.
Communication in organizational ambient.	Opportunities of talking with hierarchy levels.	The contact between professionals is indispensable to creation of a flux of information and exchange of knowledge.	Davenport & Prusak, 1999; Alcará et al, 2009.
System.	Intranet; Indispensable Systems; bank of data.	Mean of easy access to information and the including of new ideas, it ends up creating base to making-decisions and sustainable sources of competitive advantages.	Davenport & Prusak, 1999; Silva Filho & Silva, 2013.

Source: Own authors.

However, affirm Davenport and Prusak (1999) that the knowledge is sustainable sources of competitive advantages, and that the potential of new ideas appeared through stock of knowledge. In any company is practically infinity, because the human capacity to be always be getting new knowledge is limited., still, the activity is just possible through the activities that is possible by human, with their intelligence and abilities.

### III. Methodology

The present job has its methodology based in bibliographic research and a study of case with 11 companies in Hortolandia city, ranging from small to multinational companies of several areas of actuation. We quantitatively conducted an interview with 10 questions, emphasizing whether the company knows in practice the knowledge management, if any process is carried out and if is possible to see the benefits it brings to strategically development of organization. However, we will analyze what the importance that companies of Hortolandia city are giving this management.

### IV. Results

In This chapter, we will analyze the importance of knowledge management to the companies of Hortolandia city.

The research revealed that the companies practice the knowledge management, even though they do not know the term, use some method of transference of the knowledgement, but they do not give so much importance in the development of the contributor, by some reason that will presented.

#### 4.1 Most commonly used method.

The data collected, reveals that the most used method are monthly meetings, training in the integration process, talking, lectures, elaborated manuals and available, bank of data, strategic planning meeting, being the most patronized instruments. Multinational companies and of large-sized, can design more projects to the contributor's development, like, specific training of the area, program of encourage to new projects, well structured system for access to information and meritocracy.

Table 1 – Most commonly used Method by companies, to transfer of knowledgement.

Kinds of method most used by companies in Hortolandia to transfer of knowledgement	
Methods	Companies
Training	5
Meeting	5
Informal talking	1
Management System	3
Manual	3
Peer-to-peer partnership	2

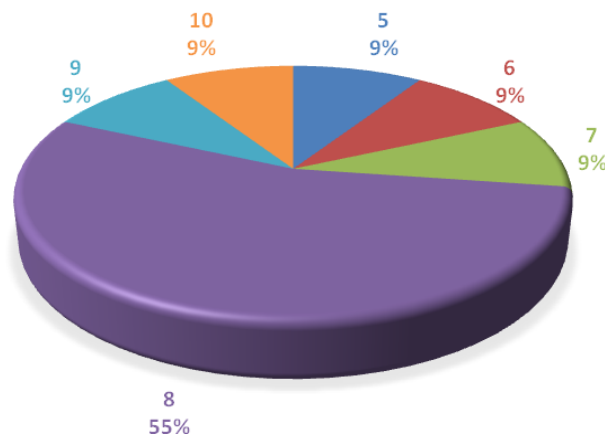
Source: Own authors.

Affirm Guimarães, Lamas and Boscolo (2007), that the people must feel more valued to transfer their knowledgement, however, the companies need develop attracting method to occur the transfer of knowledgement and the emergence of new competitive strategies.

#### 4.2 Transfer of Knowledge.

Transfer of knowledge is the most important point to this management, because it is where appear new strategies, the contributor feels more motivated and the company of innovated way develop in the market, but, the projects for the transfer do not always work in a planned way.

Graphic 1 – Self-distributed note to the transfer of knowledge in the company.

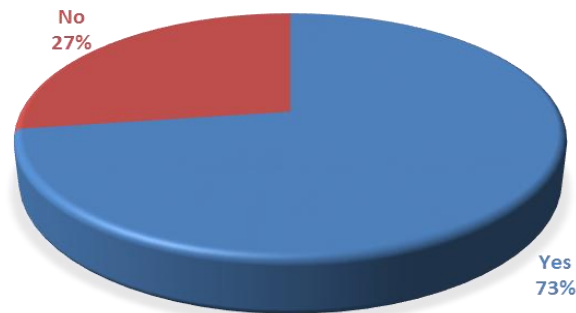


Source: Own authors.

The research reveals that, 55% values the transfer of the knowledge in the organizational ambient with note 8, showing that have projects to this management, but do not work as planned, for reason of problem in the management or financial sectors.

Small and medium-sized companies, see the financial like harmful to this management, because have many resources to develop and that have the resource are enough to keep the company in the market. Yet, are not all classes that think like this, because the research reveals that there are companies of medium-sized, which invest a lot with, encourage programs and remuneration projects if the project has implemented. It is a method to develop the employee's knowledgement, on what, they will seek innovated contents to the development of Project and the company in a meritocratic way, benefits the employee.

Graphic 2- The Company encourages the knowledgement sharing.



Source: Own authors.

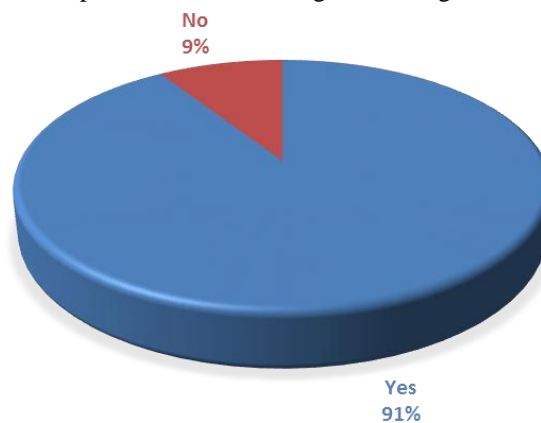
Unfortunately, 27% of searched companies do not encourage the transfer of knowledge between the employees of the organization and, according to Paiva (2016), Best results are obtained through works in teams. Davenport & Prusak (1999), affirm that talking are great occasions of transfer of the knowledgement, therefore the professional contact is indispensable to develop of knowledge management in the organizational ambient. It is necessary that have dialogue, communication and discussion to occur the process of transformation of the individual knowledgement to the group (PAIVA,2016).

Therefore, only a company classified that the transfer and the developing of knowledge in the organizational ambient with note 10, on what, the organization develops method to develop of knowledge of their contributors and recognize them. Davenport e Prusak (1999) affirms which the knowledge is sustainable source of competitive advantage, that there is a big potential in knowledgement and is practically infinite, because the human capability to always generating new ideas is unlimited.

### 4.3 Benefits

Other point valuated was the verification if the company perceives the benefits that the knowledge management can bring to the organization. The graphic 3 synthesizes this question.

Graphic 3- Benefits through knowledgement.



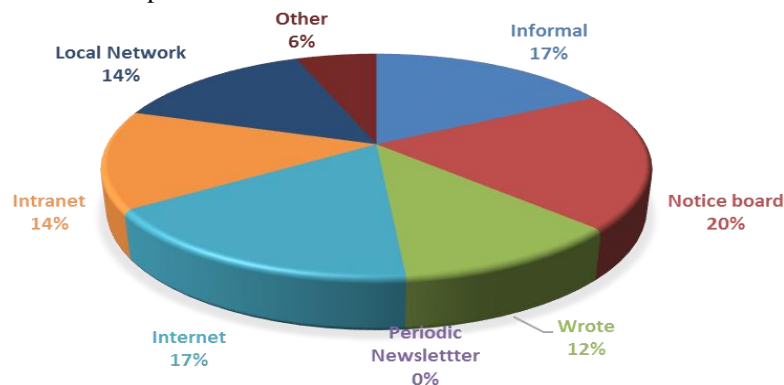
Source: Own authors.

The company that encourages the management of knowledge can see the benefits. According to the research, 91% of companies can see the profile of the collaborator, their knowledgement, what are their needs. The realization of the employee in exposing their ideas, making the company develop, makes a pleasant environment for the employee. In addition, this entire make the contributor feels more valued and confident to transfer his knowledgement to the organization development. Davenport, Harris e Shapiro (2014) affirm that, the performance of organization's future will be more linked to qualifications and motivations whom in that work.

#### 4.4 Technology

The technology is a great ally to the development and the access to the transferred knowledge in the organization. According Silva Filho & Silva (2013) it is essential that knowledgement has accessible to all of the organization, giving flexibility and a fast tracking of the information.

Graphic 4- Mean used to disseminate information.



Source: Own authors.

According to the research, 20% still use the notice board like the main mean of disseminating information, but it is possible to view that the internet, local nets and intranet are gaining strength to the innovation of means of transfer knowledgement.

#### 4.5 Knowledge such strategic form.

Graphic 5- Knowledge with the organizational strategy.

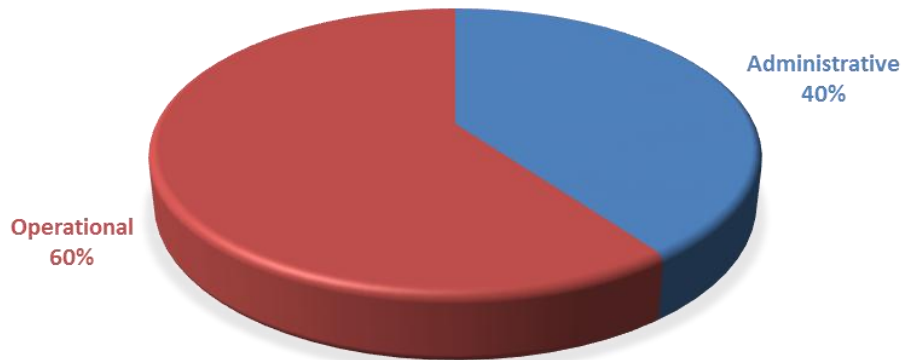


Source: Own authors.

According to the research, 91% of companies use the knowledge as a strategic way. The knowledge is the sustainable source of competitive advantages in the market, because it is something from human, each one have sets of different information and this makes big difference in the organizational ambient.



Graphic 6- Departments that use knowledge management.



Source: The authors themselves.

With 60%, the operational department is the most used means to transfer of knowledge, that are that has put in practice everything that the administrative proposes. However, the administrative sectors do not practice too much the transfer of knowledge for reasons of competitively or for have not motivated to accomplish. In practice, it would be the sector that more used the knowledge management for strategic develop; because it is the sector that develops projects, services or products to attend the market's needs, it is who guide the company to the development.

To have a nice organizational ambient and motivator is essential to the organization to return fully. The professional contact does not want to say that other will take your place, but to aggregate so that together they can grow, this is the essence of knowledge management.

## V. Conclusion

The present research shows that the importance of knowledge management in the companies in Hortolandia city is not something so valued at moment, but there is initiative to new projects in this management. Some methods already made to transfer of knowledge. However, they do not give much encourages to the development of knowledge in the organizational ambient.

In research's development appears some limitations, there was some companies that we did not have the opportunity to interview, that are of organizational culture more closed, they do not pass information, because are considered top secret.

The companies that we had the opportunity to interview, many of them did not know the term knowledgement management, even practiced, but did not develop properly to obtain strategic knowledgement.

However, we can analyze that the knowledge management is something important to the organization development, currently in the market; only man can develop this, with his values, abilities, intelligence and with his differential. However, many companies still cannot visualize this very rich strategy, because they only see the profit and do not see who is behind the profit that are the people and without them is not possible to develop an organization.

You do not have to do great projects to develop the knowledge management, only with the knowledge and giving a freedom to the collaborator demonstrate his ideas and this be valued, yet become a great differential in the organization. Let the work's ambient nice, makes the collaborator develop and achieve the objectives of the organization in an easier and more productive way.

The knowledge management is a cycle, because if the company makes projects to develop and retain the collaborator, will acquire your knowledge, retaining it is important to transfer to the organization, becoming in accessible information, in which it will apply as competitive strategies to reach their goals and stand out in the market, that is so competitive currently.

Yet, Hortolandia city continues to grow at the industrial pole, it has big important companies that have changed their management to a better strategically development and innovator through knowledgement. Likely to be the reality of other companies that did not have the opportunity to make the research, if the companies change their management to the use of knowledge in the organizational ambient, certainly have great competitive, because the knowledge is a limited source.

Then the companies can value more this management and that further research can be done for its dissemination in the organizational ambient, showing what benefits and other methods or instruments can be



used to contribute with this management, that is so important, because it is the valorization, development and transfer of knowledge.

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