

Knowledge Management Practices in Textile Industry: An Analytical Study

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Abstract

The textile and clothing industry is vital for the Indian economy by way of its impulse contribution to the GDP, industrial output, and employment generation. The State, Haryana with its strong existing infrastructure for textiles, skilled labor, abundant supply of raw material and strategic location ideally positioned to benefit from this opportunity. Through an innovative strategy and targeted interventions, the textiles industry in the state can attain growth, buoyed by both increased domestic consumption and growth in exports. Knowledge has become one of the most important driving forces for business success. Knowledge management helps organizations to find, select, categorize, distribute, and transfer vital information within the organization. The present study based on primary data. It describes the knowledge management practices adopted by the textile industry of Haryana.

Key-words: - Knowledge, Growth, Performance.

Introduction

Organizations have experienced many changes to the ways they operate. The changes are a result of many factors, including the shift to a knowledge economy and the increased reorganization of work activities because of technological innovations. The shift in focus from products to services has encouraged greater recognition of the importance of the knowledge held within an organization. Knowledge is the process of translating information (such as data) and experience into a meaningful set of relationship, which understood and applied by an individual. The twenty first century is the era of knowledge economy, in which most organizations possess knowledge that enables them to improve their performance. Knowledge, management recognized as an important weapon for sustaining competitive advantage and improving performance. Knowledge management is a new method for thinking about the organization and sharing creative and intellectual resources of the organization and in the other words it consists of all the methods by which the organizations manages its knowledge-based assets including knowledge collection, storage, transmission, usage, updating and creation. The need of knowledge management based on the growth of business community perception stems from the fact that knowledge is regarded as an important element is organizational performance and access to sustainable competitive advantage. (Davenport 2001).

Knowledge Management

Knowledge is the Process of translating information (such as data) and past experience into a meaningful set of relationships which are understood and applied by an individual. As the values of employees and organizational data have become more crucial to the organization's outcomes and competitiveness, the concept of knowledge management has emerged. Knowledge Management is the process of identifying, capturing, organizing, and disseminating the intellectual assets that are critical to the organization's long-term performance.

It is ultimate competitive advantage for today's firm. KM is about survival in a new business world – a world of competition that increases in complexity and uncertainly each day. Knowledge Management is the process of capturing and making use of firm's collective expertise anywhere in the business - on papers, in documents, in database (called explicit knowledge), or in people's heads (called tacit knowledge). 95% of information is preserved as raw material for innovation – the only competitive advantage that can sustain a company in an unpredictable business environment.

Knowledge management practices

Various authors have argued that nowadays knowledge management (KM) practices provide companies with a competitive advantage because of their impact on the organization's ability to act in more efficient, sustainable and innovative ways. For example, Brătianu and Orzea (2010) critically analyzed the knowledge dynamics model elaborated by Ikujiro Nonaka and found that knowledge creation is a dynamic capability that enables firms to achieve a sustainable competitive advantage on the market. Their conclusions are seconded by Mitchell (2010) who views the ability to create knowledge as a critical foundation for an organization's capability to be dynamic on an ongoing basis. Besides dynamism and sustainability, KM also influences the degree of innovativeness that a company demonstrates, as Viju (2010) has showed by studying the way in which explicit and tacit knowledge become assets for an organization which seeks to create an advantage. The existence of knowledge and the development of a knowledge sharing culture with a learning environment create opportunities for innovation and creativity.

Knowledge capturing, knowledge sharing, knowledge transfer, knowledge storing and knowledge application related practices used in present study.

Knowledge Capturing

The term "capture" refers to a firm's capability to identify, acquire and accumulate knowledge (whether internal or external) that is essential to its operations (Gold et al., 2001; Zahra and George, 2002). Capturing-oriented KM processes are oriented towards obtaining knowledge. However, prior to acquisition, an organization must know the knowledge it has within the organization in some form or other, and the knowledge gaps. Knowledge capturing is also called knowledge acquisition. Knowledge acquisition is a process that covers the activities of the accessibility, collecting of knowledge. It also refers to how knowledge acquired from various external and internal sources.

Knowledge sharing

Knowledge sharing is a process through which personal and organizational knowledge exchanged. In the other words, knowledge sharing refers to the process by which knowledge conveyed from one person to another, from persons to groups, or from one organization to other organization. Knowledge sharing practices refers to the process of sharing knowledge among the employees in an organization.

Knowledge transfer

Knowledge transferring is where tacit and explicit knowledge disseminated throughout the whole organization. The distributed nature of organizational cognition, an important practice of knowledge management in organizational settings is the transfer of knowledge to locations where it is needed and can be used. This practice can be driven by formal and informal approaches such as meeting, discussion, mentorship, social network, collaboration and interaction. Interactive and effective meetings and discussions provide opportunities for sharing knowledge and learning.

Knowledge Storing

Knowledge storage involves both the soft or hard style recording and retention of both individual and organizational knowledge in such a way as to easily retrieved. Organizational knowledge storage includes knowledge residing in various component forms, including written documentation, structured information stored in electronic databases, codified human knowledge stored in expert systems, documented organizational procedures and processes and tacit knowledge acquired by individuals and networks of individuals.

Knowledge Application

This means the application of knowledge and the use of the existing knowledge for decision-making, improving performance and achieving goals. Organizational knowledge should be implemented in the services, processes and products of the organization. Knowledge application is a central element in knowledge management process. The value of individual and organizational knowledge resides primarily on its application. The application of knowledge enables organizations continuously to translate their organizational expertise into embodied products. The above discussed Knowledge management practices based on the previous studies like Salina and Wan Fadzilah (2008), Sarker et al.(2005), Edler (2005), Bailey and Clarke (2000).

The term 'Textile sector/Textile enterprises' shall include all units which are engaged in various value chain activities of the industry such as Ginning & Pressing, Cotton Spinning, Weaving, Dyeing & Processing, Technical textiles, Knitting, Garment/Made-ups, Machine Carpeting, Machine Embroidery and any other activities/process like crimping, texturizing, twisting, winding, sizing etc. The textile industry in Haryana exhibits strength across the entire value chain from fibre to fashion. The state is one of the leading cotton producers in the country with Sirsa, Fatehabad, Bhiwani, Hisar and Jind being the main cotton producing districts. This ample availability of raw materials gives Haryana a competitive advantage in the textile sector. The cluster based approach to industrial development has produced robust textile centres such as Panipat, Gurugram, Faridabad, Hisar and Sonipat. The

sector today provides employment to approx. 1 million people. The general objective of the study is to analyze the knowledge management practices adopted by the textile industry of Haryana.

Literature Review

Alhashmi et.al. (2004) described that competitive organizations must be able to locate, Capture, store, share and leverage not only data and information but also the knowledge of firms. If the majority of information needed for decision making exists in the minds of employees, a system is needed to capture and codify this knowledge. **Chen and Huang (2009)** analyzed with the regression analysis technique that knowledge management capacity played a pivotal role in supporting and fostering innovation. It provide evidence that knowledge management capacity played a mediating role between strategic human resource practices and innovation performance. **Daud & Yusoff (2010)** examined knowledge management, social capital and firm performance. It used a questionnaire directed to small and medium sized enterprises of Malaysia. The results showed that knowledge management processes influence social capital positively and social capital enhances firm performance and social capital is a mediator between knowledge management processes and firm performance. The study described that the survival and performance of a firm influenced by the firm's ability to use it social capital through knowledge management processes. **Kureshi and Sajid (2009)** illustrated through primary study on 107 SMEs in northern industrial belt of Pakistan that SMEs were resource constrained by their very nature and knowledge management can become a distinct source of competitive advantage among them. It suggested that Knowledge Management Practices in SMEs lead to better decision making, faster response time, increased profit and improved productivity. **Sharma (2011)** described in his study "Knowledge management in textile industry of Punjab" that knowledge management is an investment for the organization. Knowledge management is necessary for making organization more innovative and competitive.

Objective of the study

The main objectives of the study are:

- To analyze the level of knowledge management practices in textile industry in Haryana.
- To find out relationship between the selected knowledge management practices.

Research Methodology

Research methodology can be defined as a way to systematically solve the research problem by logically adopting various steps. The present study is analytical in nature. Following described research methodology used in this study.

Research Instrument

The present study based on knowledge management practices adopted by textile SMEs in Haryana. Five type of knowledge management processes used in this study namely knowledge capturing, knowledge sharing, knowledge storing, knowledge transfer and knowledge re-use. Under these twelve practices are used to measure the knowledge management. The knowledge management practices scale developed by Saini (2013) used in this study.

Sampling Design

The top level managers like Chief Executives, Chief Knowledge Officers (CKO), Chief Information Officer (CIO), HR executives and other management experts is the respondents of study. The respondents are asked to rate the statements on a five point rating scale. Data is collected mainly from Panipat, Sonipat and Gurugram (Gurgaon) districts of Haryana as these are the hubs of textile industry.

Tools & Techniques

The collected data analyzed with the help of tools like mean, standard deviation, Z test and Correlation technique. Descriptive statistics like mean and standard deviation used for find out the general agreement of the respondents. Correlation technique used for find out the relationship among knowledge management practices.

Reliability of study

Cronbach's Alpha is used to measure the reliability of the instrument. Alpha value of 0.60 is normally acceptable indicator of internal consistency of an instrument. The alpha value of present study instrument is .79 which means consistency of data is good.

Analysis of study

This section showed the analysis results of the study. The variables of Knowledge management practices denoted as KC (Knowledge capturing), KS (Knowledge storing), KSH (Knowledge sharing), KT (Knowledge Transfer) and KR (Knowledge Re-use). The results showed below:

Table-1 Knowledge Capturing Practices (KC)

Statements	Mean	Standard deviation
The Organization actively captures external knowledge from industrial associations, competitors, clients and suppliers.	4.05	.636
The Organization captures knowledge from public research institutions, universities and govt. laboratories.	3.84	.739
Has dedicated resources for acquisition and obtaining internal knowledge from experienced workers and managers.	3.88	.747
Combined mean of knowledge capturing (KC)	3.92	

Table 1 describes the descriptive statistics of knowledge capturing practices in textiles of Haryana is done in strongly degree of practicing in which general mean is (3.92). The highest mean value (4.05) of the first statement indicates that the organizations capture external knowledge from industrial associations, competitors, clients and supplier. This practice followed by obtaining knowledge from experienced workers and managers with mean value (3.88) and by captures knowledge from public research institutions, universities and govt. laboratories with mean value (3.84).

Table-2 Knowledge Sharing Practices (KSH)

Statements	Mean	Standard deviation
Encourages workers to participate in project teams with external experts.	3.91	.713
Has a culture intended to promote knowledge sharing	3.95	.755
Combined mean of knowledge sharing (KSH)	3.93	

Table-2 describes the descriptive statistics of knowledge sharing practices adopted by textiles of Haryana is done in strongly degree of practicing in which general mean is (3.93). The results indicate that the culture to promote knowledge sharing is important with mean value (3.95) and followed by encourage workers to participate in projects with external experts (3.91).

Table-3 Knowledge Transfer Practices (KT)

Statements	Mean	Standard deviation
Has policies or programs intended to improve knowledge worker retention.	4.00	.723
Problems, failures, experience and method of working are discussed Openly and avoid making similar mistakes in the future.	3.92	.898
Combined mean of knowledge transfer (KT)	3.93	

Table-3 describes the descriptive of knowledge transfer practices in textiles of Haryana is done in strongly degree of practicing in which general mean is 3.93. It indicates that policies and programs to improve knowledge worker retention are very important with mean value (4.00) and followed by 'problems, failures, experience and working methods discussed' with mean value (3.92).

Table-4 Knowledge Storing Practices (KS)

Statements	Mean	Standard deviation
Regular meetings are done for discussion of professional projects.	4.20	.775
Databases of good work practices, lesson skills and listing of experts are regularly updated.	3.87	.790
Written documentation of lesson learned, training manuals, good work practices and articles was done.	3.83	.919
Combined mean of knowledge storing (KS)	3.98	

Table-4 describes the descriptive of knowledge storing practices in textiles of Haryana is done in strongly degree of practicing in which general mean is (3.98). It indicates that 'regular meetings for discussion of professional projects' (4.20) are mostly used activity of knowledge storing and followed by 'database of good work practices, lesson skills and listing of experts are regularly updated' with mean value (3.87) and by 'written documentation, training manuals' with mean value (3.83).

Table-5 Knowledge Re-use Practices (KR)

Statements	Mean	Standard deviation
The information systems and knowledge stored in the system are constantly upgraded.	4.01	.765
People are encouraged to access and use knowledge saved in company systems.	3.96	.808
Combined mean of knowledge re-use (KR)	3.99	

Table-5 describes the descriptive of knowledge re-use in textiles of Haryana is done in strongly degree of practicing in which general mean is (3.99). It indicates that ‘information systems and knowledge stored in systems constantly upgraded’ (4.01) most used activity in knowledge re-use practices and followed by ‘people encouraged to access and use knowledge saved in company systems’ with mean value (3.96).

Relationship between Knowledge Management Practices

To find out the relationship among knowledge management practices Pearson’s Correlation is used.

Correlation between the Knowledge Management Practices

	KC	KS	KSH	KT	KR
KC	1.				
KS	.225**	1.			
	.006	.			
KSH	.228**	.238**	1.		
	.031	.004	.		
KT	.371**	.266**	.511**	1.	
	.001	.001	.000	.	
KR	.109	.260**	.367**	.618**	1.
	.190	.002	.000	.000	.

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4.3 showed the relationship between five variables of knowledge management practices. The results of Pearson’s correlation test revealed that there was strong and positive correlation between the KC (Knowledge capturing) with KS (Knowledge storing), KSH (Knowledge sharing) and KT (Knowledge transfer) ($r=.225, .228, .371$) ($p= .006, .031, .001$) respectively which is statistically significant. Further, the correlation between the KS (Knowledge storing) with KSH (Knowledge sharing) with KT (Knowledge transfer) and KR (Knowledge Re-use) was also statistically significant, ($p=>.05$). The results showed that each variable correlated with one

another except KC (Knowledge capturing) and KR (Knowledge Re-use), ($r= .109$, $p=.190$) 'p' value greater than .05.

Results of study

- The first objective of the study was to find out the level of knowledge management practices in the selected industry. The results for measuring knowledge management practices: (Knowledge capturing (3.92), Knowledge sharing (3.93), Knowledge transfer (3.93), Knowledge storing (3.98) and knowledge re-use (3.98) degree of practicing in which general.
- The second objective of the study was to find out the relationship between knowledge management practices. Results revealed that there is a statistically significant positive correlation between the overall knowledge management practices except KC and KR.

Conclusion

Textile industry is a knowledge intensive industry. The Indian textile industry is one of the leading industries in the world. The close linkage of the industry to agriculture and the ancient culture and traditions of the country make the Indian textiles sector inimitable. The present study based on textiles of Haryana. Haryana is a hub of textile SMEs. The study resulted that textile SMEs has a culture that promoted knowledge sharing and has policies to improve knowledgeable worker retention. Most of the respondents agreed that their organization captured external knowledge from industrial associations, clients, suppliers and competitors. They also agreed that internal knowledge obtained from experienced workers and managers. They discussed the problems, failures, experiences and methods of working and try to avoid making similar mistakes in the future. Thus knowledge management practices played an important role in enhancement of the industry. Knowledge management practices in the industry are a workforce initiative.

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