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KNOWLEDGE MANAGEMENT PRACTICES-AN EMPIRICAL STUDY OF STATE BANK OF INDIA

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ABSTRACT

Knowledge is information about the subject which can be attained through education and experience. Knowledge Management is a new concept which allows the organisation using different strategies to identify, create, share and facilitate discovery and learning. Knowledge Management generally is a digital challenge to crack knowledge, to share and mainstream good practice, so as to not repeat mistakes and work more effectively. An important tool for organisational probability and survival is effective Knowledge Management System. Hence better use of Knowledge leads to achieving organisation objective. So, the study is an attempt to know the aspects related to knowledge management Practices in SBI, North Bangalore.

Keywords: Employees; knowledge; knowledge management; knowledge sharing; organisation

Introduction

Knowledge Management (KM) is the new era technological application that stores and retrieves Knowledge. It helps in effective planning, decision making and evaluating firm's process and system. It is evident that knowledge is slowly becoming the most important factor of production, next to labour, land and capital (Sher & Lee, 2004). An organization in the knowledge age is one that learns, recollects, and acts based on the best accessible information and know-how (Dalkir, 2005). In today's challenging organizational environment to be successful, companies need to learn from their past faults and not re-invent the wheel yet again. The efficacy of building knowledge within firms depend on the capacity to monitor and absorb newly acquired knowledge from many sources and then assimilate this knowledge into the existing knowledge base. It has been noted that firms can acquire peripheral knowledge from research on previous products, therefore ahead valuable insights about the product; excel at benchmarking with industry frontrunners, and rely on tactical alliances to acquire knowledge resources needed for

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their business (Danskin, English, Solomon, Goldsmith & Davey, 2005). Knowledge management represents systematic style to ensure full utilization of organization's knowledge base together with the potential of individual skills, competences, and ideas to create a more competent and effective organization

Statement of the Problem

Performance of SBI has improved over the last five years. But due to surge in global competitive pressure, most of the banks are scrutinising how they can better manage their capital. Effective Knowledge Management Process leads to knowledge acquisition, knowledge conversion and knowledge application and in turn increase firms performance. SBI that have registered diverse performance results in an era characterized by speedy knowledge development but contribution of knowledge needs to be explored.

Need for the Study

In the field of Banking, State Bank of India is not a monopoly. It is facing hard-hitting competition from many existing banks. SBI needs a detailed study on present Knowledge Management practices to mend or reorder their system. SBI can't face the competitive pressure effectively without effective knowledge management system. However, existing empirical literature has shown that there are limited studies with respect to Knowledge management practices in SBI. So, there comes the need of the study.

Objectives of the Study

1. To investigate the Knowledge Management Practices in SBI.
2. To identify the best knowledge Management Practices for institutional growth.
3. To suggest some ways to the SBI to improve the knowledge management practices.

Hypothesis

H1: There is no significant relation between gender and Knowledge sharing and learning are valued in my company culture

H2: There the no significant relation between Work experience and providing incentives for knowledge sharing

Research Methodology

The present study is based on survey method.

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The method was adopted to have better understanding of the employee's perception regarding knowledge Management practices. It is a descriptive study which seeks to specific knowledge management practices by SBI.

Data was collected from primary and secondary sources. The primary source of information was collected from employees through questionnaire. The secondary Data was collected through books, journals and periodicals. The data is from the period 2017-18.Convenience sampling are used to collect data from 236 employees working in State Bank of India (SBI) in North Bangalore.

Data Analysis and Interpretation of Result

The scores provided by the respondents were fed into SPSS software (version 25).

Respondent Profile

Table 1 attempts to capture the respondents profile in term of gender, Age and Year of experience

Table-1: Demographic Details of Respondent

Demographic Variables		Frequency	Percentage
Gender	Male	148	62.7
	Female	88	37.3
Age	20-30	84	35.5
	30-40	112	47.5
	Above 40	40	17
Year of Experience	0-5 years	118	50
	5-10 years	94	39.8
	10-15 years	12	5.1
	Above 15 years	12	5.1

Source: Primary Data

The respondents comprised of 62.7 % Male and 37.5% female, 35.5 % with age group 20-30, 47.5% with age group 30-40 and 17% above 40 years. The respondents have different level of experience with 0-5 years (50 %), 5-10 years (39.8%), 10-15 years (5.1%) and above 15 years (5.1%).

Reliability Statistics

Reliability statistics are made for the data collected from the Employees of SBI. The sampling reliability is ensured by doing through Cronbach's Alpha reliability test, for this present study the reliability analysis score is 0.772 after considering 24 items from the structured questionnaire.

The t-value in the Table 2 shows significant relation between the Gender and Knowledge sharing / learning are valued in culture at 5% level. Hence null hypothesis H1 is rejected.

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Table-2: Independent sample t-test

		Levene's Test for Equality of Variances	t-test for Equality of Means						
								95% confidence interval of the	
		F	Sig	t	df	Sig(2-tailed)	Mean Diff	Std Error Diff	lower	Upper
C13	Equal variance assumed	4.445	0.036	-2.938	234	0.004	-0.43028	0.14646	-0.71884	-0.14173
	Equal variance Not assumed			-3.023	199.233	0.003	-0.43028	0.14236	-0.71100	-0.14956

The Chi square value in the Table 3 shows significant relation between Work Experience and providing incentives for knowledge sharing at 5 % level. Hence Null Hypothesis H2 is rejected

Table-3: Chi- Square test

Chi square Test			
	Value	**Df**	**Asymp.Sig.(2-sided)**
Pearson Chi-Square	24.373a	12	0.018
Likelihood Ratio	30.702	12	0.002
Linear-by-Linear Association	7.305	1	0.007
N of Valid Cases	236		

Factor Analysis

Data collected from the respondents towards the Knowledge Management Practices is subjected to dimension reduction using factor analysis to explore different factors using SPSS. An inter correlation matrix was first calculated to explore the possibility of applying factor analysis. Barlett's test of sphericity and Kaiser-Meyer-Olkin measure of sampling adequacy (KMO) were used for the purpose. The KMO value of 0.658 bordering around meritorious suggests the factors extracted account for a substantial amount of variance. (Table 4).Further, Bartlett's test of sphericity also suggests that inter-correlation matrix is not an identity matrix and factorable, and factor analysis can be applied to the current data. The communities of the variables are shown in the Table 5.

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Table-4:KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.658
Bartlett's Test of Sphericity	Approx. Chi-Square	9344.54
	Df	253
	Sig.	< 0.001**

Table-5:Communalities Matrix

	Initial	Extraction
Useful knowledge can be easily shared and acted upon	1.000	.831
People at workplace share their experiences and knowledge willingly	1.000	.912
Formal channels for knowledge sharing (like meeting, courses, tours and similar activities)	1.000	.848
Providing incentives for knowledge sharing	1.000	.966
Well defined processes for creation, capture, and acquisition of knowledge.	1.000	.933
Much time is taken by an employee to get the relevant knowledge	1.000	.858
Trust, give & take and openness of participants are key elements for KT	1.000	.954
I am sure it is feasible that we can learn from each other's knowledge	1.000	.940
Documented procedures centrally stored for ease of access across the firm	1.000	.954
Stored knowledge is quite important, relevant and latest	1.000	.940
Do you record of all your informal discussion or meeting?	1.000	.933
It is the job of R&D department only	1.000	.858
Knowledge sharing and learning are valued in my culture	1.000	.954
A virtual platform where people can contact each other is a suitable option	1.000	.848
View as everyone's job and everybody contributes to it	1.000	.966
Top management takes active interest in it and supports it continuously	1.000	.955
It is a part of organizational philosophy & culture	1.000	.910
Learning organization values supported by formal policy statement and organization	1.000	.880
Encourage people to understand and manage their ideological work	1.000	.910
Encourage people to participate in a variety of informal learning opportunities	1.000	.880
Establishing clear operational guidelines to help staff learning	1.000	.880
Culture to encourage good communication, teamwork, innovation and lifelong learning	1.000	.830
Hardware and software technologies are available to support learning	1.000	.955
Corporate culture affects retention	1.000	.910

Extraction Method: Principal Component Analysis.

Principal component method (Table 6) was used to find the initial solution which is the most commonly used method. Eigen value criteria and the screen plot method were used for the confirmation of the initial solution, which suggest the four factors have the Eigen value greater than 1 and the factor pattern is consistent across the sample, which is easy to interpret since the item loaded heavily on a single factor. The Eigen value for the first factor is 7.554 and it explains 31.468% of variance. The second factor value is 7.026 and it explains 29.276% of the variance.

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The third factor value is 3.954 and it explains 16.475 % of the variance. The fourth factor value is 3.271 and it explains 13.631% of the variance**.**

Table-6: Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.552	31.468	31.468	7.552	31.468	31.468	7.090	29.543	29.543
2	7.026	29.276	60.744	7.026	29.276	60.744	5.325	22.187	51.730
3	3.954	16.475	77.219	3.954	16.475	77.219	4.699	19.581	71.310
4	3.271	13.631	90.850	3.271	13.631	90.850	4.690	19.540	90.850
5	.914	3.806	94.657						
6	.739	3.081	97.738						
7	.224	.935	98.673						
8	.173	.720	99.393						
9	.132	.551	99.944						
10	.014	.056	100.000						
11	2.243E-15	9.348E-15	100.000						
12	1.654E-15	6.891E-15	100.000						
13	2.141E-16	8.920E-16	100.000						
14	1.144E-16	4.766E-16	100.000						
15	1.110E-16	4.625E-16	100.000						
16	1.087E-16	4.529E-16	100.000						
17	7.969E-17	3.320E-16	100.000						
18	4.810E-17	2.004E-16	100.000						
19	2.167E-17	9.031E-17	100.000						
20	-2.122E-19	-8.843E-19	100.000						
21	-7.972E-18	-3.322E-17	100.000						
22	-6.865E-17	-2.860E-16	100.000						

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23	-1.458E-16	-6.077E-16	100.000						
24	-5.569E-16	-2.321E-15	100.000						
Extraction Method: Principal Component Analysis.									

In component matrix some of the items load on more than one factor, making the interpretation of the factors ambiguous. We therefore rotate the initial factor solution to identify a clear factor pattern. The correlation of each variable with each factor is indicated by the component matrix. For rotation, we use Varimax method as it is the most common method used to rotate the component matrix. The Rotated component matrix is presented in the Table 7.

Table-7: Rotated Component Matrix[a]

	Component			
	1	2	3	4
Useful knowledge can be easily shared and acted upon	-.078	-.112	**.892**	-.127
People at workplace share their experiences and knowledge willingly	-.071	**.942**	.000	.143
Formal channels for knowledge sharing (like meeting, courses, tours and similar activities)	**.895**	-.123	-.134	-.118
Providing incentives for knowledge sharing	.018	.084	-.074	**.976**
Well defined processes for creation, capture, and acquisition of knowledge.	-.072	-.104	**.947**	-.141
Much time is taken by an employee to get the relevant knowledge	-.083	**.911**	-.005	.143
Trust, give & take and openness of participants are key elements for KT	**.965**	-.102	-.105	-.033
I am sure it is feasible that we can learn from each other's knowledge	-.033	.069	-.151	**.955**
Documented procedures centrally stored for ease of access across the firm	**.965**	-.102	-.105	-.033
Stored knowledge is quite important, relevant and latest	-.033	.069	-.151	**.955**
Do you record of all your informal discussion or meeting?	-.072	-.104	**.947**	-.141
It is the job of R&D department only	-.083	**.911**	-.005	.143
Knowledge sharing and learning are valued in my company culture	**.965**	-.102	-.105	-.033
A virtual platform where people can contact each other is a suitable option	**.895**	-.123	-.134	-.118
View as everyone's job and everybody contributes to it	.018	.084	-.074	**.976**
Top management takes active interest in it and supports it continuously	-.117	-.083	**.957**	-.134
It is a part of organizational philosophy & culture	-.069	**.935**	-.176	.016
Learning organization values supported by formal policy statement and organization	**.934**	.007	.004	.091
Encourage people to understand and manage their ideological work	-.069	**.935**	-.176	.016
Encourage people to participate in a variety of informal learning opportunities	**.934**	.007	.004	.091
Establishing clear operational guidelines to help staff learning	**.934**	.007	.004	.091
Culture to encourage good communication, teamwork, innovation and lifelong learning	-.005	.144	-.241	**.867**
Hardware and software technologies are available to support learning	-.117	-.083	**.957**	-.134
Corporate culture affects retention	-.069	**.935**	-.176	.016

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- Extraction Method: Principal Component Analysis.
- Rotation Method: Varimax with Kaiser Normalization.

Managerial Implications

The result of factor analysis reveals that four factors affect the Knowledge management Practices. The four factors are name as Knowledge sharing strategy, Knowledge storage culture, Knowledge generating technology and Knowledge utilization process.

The first factor namely Knowledge sharing strategy which helps SBI to identify and fill knowledge gaps. This may also help to construct a supportive corporate Value. The second most important factor is Knowledge storage culture which will help SBI to spend less time in recreating existing knowledge and in turn help to provide better service to employee and customers. The third factor is Knowledge generating technology in the global economy which will help the SBI to reveal new discoveries and transferring knowhow on the development of new techniques and Processes. The last factor explored by the current study is Knowledge utilization process

Knowledge utilization process is a multi-disciplinary approach in which the intended solutions inspire new research for growth of SBI. Its scientific breakthroughs will lead to new directions for problems faced by SBI.

Conclusion

Knowledge management makes possible for people to look at the uncovered boundaries of current practices, products and services. SBI knowledge Management Practice should be on capturing and understanding the knowledge about customers and their needs. KM in banks can endure only when there is an incentive scheme for the knowledge processors. It is suggested that the system must provide a profiling facility to develop a reference background for the participant as they develop any sense of body of knowledge by knowing from various interfaces with individuals. This profiling should include background, personality types, desires and special comforts. Thus developed online profiles must be readily accessible to anyone who chooses to use them as a basis for well understanding. Furthermore, the study sought to establish effective knowledge Management practices for the employee and knowledge based services to their customers as the entire institution of banking has been built on consumer confidence.

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