Chapter 5: Findings, Conclusions and contribution to theory

5.1 Findings

The current study establishes that knowledge management in organizations cannot be viewed in isolation or treated like any other corporate initiative and expecting that it will provide breakthroughs. The organizations should necessarily have the leadership commitment and knowledge management systems in place, encourage and practice organizational conversation, evolve dynamic business models, and embedded in innovation culture, once all these ingredients are present in the organization it can certainly expect enhanced business performance.

The innovation culture is often used in generic terms by people and organizations. Through the study, insights are gained on the manifestation of innovation culture and the same can be found in marketing orientation, entrepreneurship orientation, learning orientation and also in technology orientation, and each of the manifestations of innovation culture has the potential to create innovation, facilitate the use of knowledge and improve business performance.

In organizations, all the elements of innovation culture may not have been embedded fully but they still have potential to benefit even with the limited presence of the elements. However, greater impact on business performance can be felt if organizations can fully nurture all the elements of innovation culture along with leadership exhibiting its commitment towards knowledge management and building appropriate systems & processes, encouraging organizational conversation and developing appropriate business models.
The literature review points to an erosion of the demarcations between manufacturing and service firms, and this trend had commenced as early as 1993, and today some of the leading organizations such as Xerox prefers to be called “the document company” and not “the copier/printer company”, Ford a “quality”, IBM markets “industry-solution units”, and 3M calls itself a knowledge company (Davenport & Prusak, 1998), further suggesting that today’s organizations want to be associated or called as knowledge creating enterprises that are providing business solutions rather than just as product/service organizations.
5.2 Conclusions

Bill Gates described a new type of work and referred to it as “thinking work” – through blending a business’s processes and corporate culture with the enabling technology to foster an innovative environment (Conway & Slinger, 2002). Way back in the 1950s, Peter Drucker, coined the term knowledge workers (Acsente, 2010), and innovation and creativity are now considered the hallmark of knowledge workers (Amabile, 1997; Amabile & Kramer, 2007; Kanter, 2000; Higgs & Hender, 2004).

Today innovate or fall behind has become a competitive imperative for virtually all the businesses. However, this is not a simple task for organizations since the innovations take place in the midst of different ideas, perceptions, and the way the information is processed and judged and the collisions that take place as a result (Leonard & Straus, 2000). Thomas Stewart editor of Fortune magazine in 1997 pointed out that “money talks, but it does not think; machines perform, often better than any human being can, but [machines and technology] do not invent...[The] the primary purpose of human capital is innovation – whether of new products and services or improvement in business processes” (Stewart, 1998).

In the recent times organizations have seen a sudden spurt in knowledge management projects that resulted in a multifold increase in investments in such initiatives (Ithia, 2003). However, at the same time failures of KM projects are also increasing, one estimate suggests that 84 per cent of KM initiative provided no significant benefit to the organizations, while they had ventured into a journey of adaptation (Lucier & Torsiliera, 1997). In the current study of the two organizations namely Infosys and 3M also considered pioneers in the field of
managing knowledge, has provided some insight on how they have achieved breakthroughs and continued to remain innovative through the linkages of knowledge management and innovation culture. Also proposed a model linking knowledge management and innovation culture for improved business performance. Further, the model was tested in the India IT organizations, and the proposed model can also act as an effective tool for the leadership to improve business performance if implemented.
5.3 Contribution to theory/literature and practice

Hamel in his famous innovation stack model pointed out that many of the organizations are today predominately tuned to operational and product/service innovations and therefore deploy considerable resources with a desire to harness the benefits, though much greater value creation opportunities can be achieved through strategic and management innovations that are also difficult for the competitor’s to replicate (Hamel, 2007), however organizations are not equipped to transition to higher level and exploit innovation opportunities available in less explored strategic and management area due to lack of insights and non availability of appropriate models.

The current study bridges the above mentioned gap and provides insights on how organizations can establish the linkages of KM & Innovation culture and achieve improved business performance, and also identified factors that are responsible for sustaining such linkages in the organizations.

An exhaustive literature review in the earlier part of the study has provided insights, understanding and better perspectives on some of the less explored aspects of innovation culture.

The proposed model that has also been tested can be an effective tool from the practice point of view, and effective implementation by the leadership has the potential to enhance business performance.