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# Development of Corporate Knowledge Management: A Case of Educational Sphere

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## Abstract

Knowledge management is the process of transforming and utilizing knowledge. In the corporate field, managing knowledge is important since it can directly improve organizational value. Based on example of governmental scholarship program “Bolashak” in Kazakhstan and its main participant International Academy of Business with 29 scholarship-holders at once, this study aimed to present expectations from and implications to knowledge management.

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## 1. Introduction

Research within the field of knowledge management has consistently grown particularly in the last decade. However, research concerning concept of corporate knowledge management is relatively limited. Corporate knowledge management creates value by existing intellectual asset of an organization. Knowledge itself is considered as one of the most important strategic factors influencing organizational performance. This study seeks to identify basic concepts related to knowledge management in the corporate scope. The unit of analysis is the International Academy of Business that has been practicing “Bolashak” international scholarship program with corporate focus on the development of knowledge management.

## 2. Literature Review

In today’s competitive environment organizations’ attention is increasingly focused on how they manage their intangible assets. The view of knowledge as a resource considers knowledge as the most important intangible asset created by human capital. Moreover, there is a strategic importance of knowledge as it is associated with organization’s capabilities to achieve competitive advantage. Accordingly, organizations have to properly manage knowledge and utilize it to benefit at the corporate level. CKM refers to identifying and leveraging the collective knowledge in an

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organization to help the organization to compete (Von Krogh, 1998). CKM leads to organizational innovation, changes in strategy and management practices (Andreeva and Kianto, 2012).

In the existing knowledge management studies, the unit of analysis is the company and focus is the company-level processes. However, knowledge can be created by people who belong to the organization and those with whom it interacts (Simon, 1991). Therefore, the most elusive part of knowledge that is needed for organizational success is bound to individuals. CKM integrates knowledge by specific mechanisms which apply knowledge to individual level (Grant, 1996). On the other side, an organization shares information and knowledge with and among the elements of external environment, i.e. at the institutional level, that diversifies different organizational cultures and working environments. Consequently, information and knowledge are shared among all members of the whole society, i.e. individuals, organizations, institutions, thus increasing the knowledge of each level and the total value of society.

### **3. Knowledge Management Application: A Case of International Academy of Business**

#### *3.1. Significance and objectives of research*

The objective of this research is to study CKM application in educational sphere. According to Kidwell et al. (2000) CKM has several benefits in educational environment such as increasing quality of educational programs, improvements in research and administrative services, etc.

The unit of analysis is the International Academy of Business, one of the leading business universities in Kazakhstan, which has been experiencing presidential scholarship program “Bolashak”. “Bolashak” means “future”. The program was established in 1993 by the President of the Republic of Kazakhstan N. Nazarbayev and has given opportunity to study at top universities around the globe. “Bolashak”’s focus has changed over the years, involving at first only bachelor degree programs and with further expansion to master’s and doctoral degrees as well as research internships. Moreover, since 2012 the Program has begun to apply a target method of training staff of governmental and educational institutions.

Significance of this research is that, if the early tendency focused on to develop individual knowledge management, now the Program is being applied to support management of knowledge at the corporate level.

#### *3.2. Analysis*

The International Academy of Business is a private university founded in 1988. The university supports research initiatives and provides opportunities for professional development of its employees. For the first time in the history of the program “Bolashak” number of people awarded by scholarship for internship abroad was so high. The total number of scholarship-holders from IAB was 29. We had interview to collect data on the personal characteristics of scholarship-holders.

We divided them into four categories according to their position. First, 13.8% of scholarship-holders were top managers represented by president and vice-rectors of IAB. Second, 17.2% were middle level managers involving directors and head of departments. Third, 10.3% of all scholarship-holders were first-line managers, i.e. specialists, coordinators and department deputy heads. The largest number of scholarship-holders 58.6% were faculty staff, i.e. professors, associate professors and lecturers, meaning that faculty staff is a target group for gaining new knowledge and expertise to share it further with students and other local researchers.

Further classification regarding educational level of scholarship-holders shows that approximately 24% have doctoral degree, 51.7% with candidate of science degree, and remaining 24% represent non-degree ones. The age of the scholarship-holders ranged from 30 to 60, with a largest percentage (42%) in 30-40 category. In relation to sex, about 83% are female, whereas 17% are male. This can be justified by the general fact that the number of woman working in educational sphere is still high. Furthermore, we see that willingness to learn and share knowledge is important regardless of marital status, i.e. almost 76% scholarship-holders are married. In terms of destination and opportunity providing institutions in these countries, number of participants that will have long-term internship at the Haas School of Business (USA) is 17, at the University of East Anglia (UK) -1, at the INTO City University London (UK) – 1, at Montreux School of Business (Switzerland) – 7, at Hankuk University of Foreign Studies (South Korea) – 1, at the Erasmus University Rotterdam (the Netherlands) - 1, and at the International University of Catalonia (Spain) – 1. The descriptive statistics of scholarship-holders are in Table 1.

Table 1. Sample characteristics

Variable	Number	Frequency (%)	Variable	Number	Frequency (%)
<i>Position</i>			<i>Educational level</i>		
Top manager	4	13.79	Doctor	7	24.13
Middle level manager	5	17.24	Candidate	15	51.72
First-line manager	3	10.34	Non-degree	7	24.13
Faculty staff	17	58.62			
<i>Sex</i>			<i>Marital status</i>		
Female	24	82.75	Married	22	75.86
Male	5	17.24	Single	7	24.13
<i>Age</i>			<i>Destinations</i>		
30-40	12	41.3	USA	17	58.61
41-50	10	34.4	UK	2	6.8
51-60	7	24.13	Switzerland	7	24.1
			South Korea	1	3.44
			Netherlands	1	3.44
			Spain	1	3.44

### 3.3. Discussion

This study examined concepts of CKM and its application in educational sphere. Based on example of governmental scholarship program “Bolashak” in Kazakhstan and its main participant International Academy of Business with 29 scholarship-holders at once, this study aimed to present expectations from and implications to knowledge management.

There is an interaction between individual, corporate, and institutional levels with their joint effect to society. In spite of the fact that knowledge is an investment in all levels regardless of individual or corporate, case of IAB is a good example of an institutional strategy to encourage corporate knowledge management and expand corporate knowledge base. Its benefits are expected to be increased value, innovative ideas, improved organizational learning. Further expectations involve research and publications in international journals with impact factor, as well as increasing competitiveness of research, enhanced quality of curriculum and programs, improved responsiveness from the lessons learned from the experience, improved service capability of staff, improved effectiveness, efficiency of advising efforts, improved English language knowledge, etc.

This study is not without limitations. First, this article was written parallel to the process of approval and departure of scholarship-holders abroad. A questionnaire method could examine individual expectations of scholarship-holders before starting the internship. This could be a pre-requisite to further study concerning its impact on company performance. Therefore, future studies should expand this study after their arrival to IAB.

### 4. Conclusion

This study provides insights into improving knowledge management by providing opportunities to organizations and employees to get knowledge and share what they know and use what they learn. In the corporate level, value of an organization depends not only on employees sharing knowledge, but also on the quality of knowledge they gathered. In this context, IAB’s employees were sent to the top business schools of the world where they can be able to have best learning practices. Strategic importance of this issue is that, it can lead to better strategic planning and decision making in the management process. Expertise in different destinations means sharing knowledge from variety factors which in turn can lead to the creation of learning organization.

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