

## A Psychological Study of the Efficiency of Knowledge Management in the Management of Human Resources Influenced by the Mediating Factor

<sup>1</sup>Ms. Shabana Bano, <sup>2</sup>Mr. Yibom Bagra, <sup>3</sup>Dr. Venkata VPRP, <sup>4</sup>Dr. Neeta Deepaware, <sup>5</sup>Dr. Somya Bansal

Received: 20-September-2022

Revised: 24-November-2022

Accepted: 05-December-2022

<sup>1</sup>Assistant Professor, Faculty of Business Management & Commerce, Usha Martin University, Ranchi- Jharkhand

<sup>2</sup>Assistant Professor, Department of Business & Management, Himalayan University, Itanagar-Arunachal Pradesh

<sup>3</sup> Professor, Department of Management, Mangalayatan University, Aligarh, Uttar Pradesh

<sup>4</sup>Assistant Professor, Department of Management, Mangalayatan University, Jabalapur, Madhya Pradesh

<sup>5</sup>Assistant Professor, Department of Management, Sikkim Professional University, Gangtok, Sikkim

### ABSTRACT

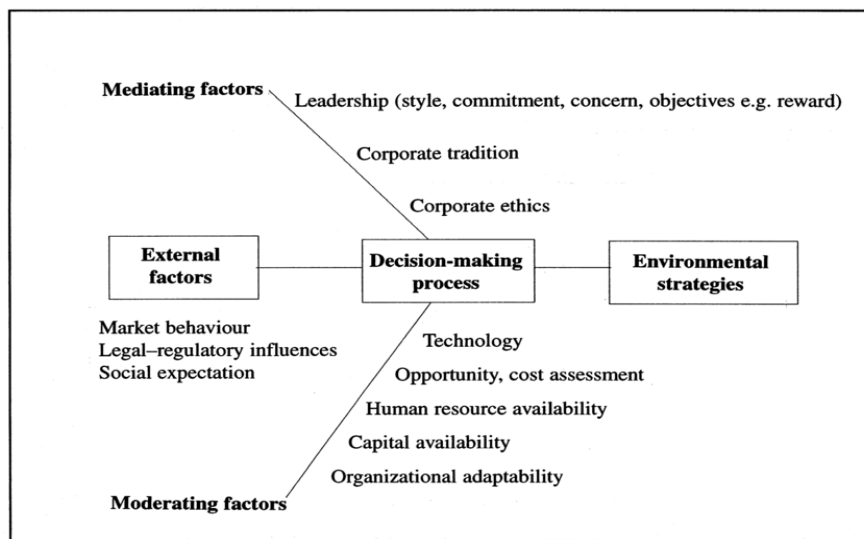
Organizational innovation has long been known as a comparative advantage in tomorrow's irritable environment. New goods and procedures must be developed by Indonesian manufacturing enterprises if they want to transition from using only physical labour to a knowledgeable and experienced financial model. Good HRM overall organisational practises can support organisational innovation. Investigated was how various aspects of HRM (such as assessing performance, talent management, learning, deployment of compensation software, and acquisition) affected innovativeness (product innovation, process innovation, and administrative innovation). The study examines the role that good knowledge management played in closing the gap. The study used information from well-known manufacturers. According to regression analysis, HRM practises frequently foster organisational innovation. Three different types of training are related to organisational innovation (product innovation, process innovation, and administrative innovation). Performance evaluation helps administrative innovation. According to the study, there is a connection between successful information management training and evaluation. Intellectual capital ties review and organisational innovation together inexorably.

**Keywords:** New product development, innovation strategy, entrepreneurial orientation, and expertise quality of management are all examples of management approaches.

**1. INTRODUCTION:** Since ICT evolves so quickly, organisational innovation is crucial. Many organisations strive for innovative methods to improve their products, services, platforms, and software. Singapore's neighbours are still rivals. Malaysians built a new business framework to shift market participants from manufacturer manufacturing to experience and understanding industry. Businesses must understand the core reasons of business to produce fresh product ideas for today's altering industry. [1]. People management (HRM) methods are crucial in evoking outstanding employee work patterns that lead to growth. Increasing staff knowledge and enthusiasm may boost a company's long-term competitive advantage. [2]. HRM practises don't affect corporate results like innovation. HRM practises influence workers' attitudes and behaviours toward knowledge management, which favourably impacts organisational innovation. [3]

However, compared to Burma's innovation inquiry is young compared to the U.S. and Europe. [4] Uganda focuses on technology and developing it for business. Because creativity is so vital to industrial rivalry, several studies looked for antecedents of originality, including independent variables. External and internal factors affect an organization[5]. To establish which organisational practises encourage creativity, further research is required. How a firm manages HRM impacts innovation. [6]. Well-implemented HRM operations may increase an organization's expertise, which can be leveraged to find and explore intriguing issues. A good management information system helps individuals keep details inside their region of activity, yet knowledge transfer fosters innovation. As a result, study looked at HRM methods (formative assessment, employment administrations,

coaching) and operational modernity (business growth, systems integration, administrator innovation) overall understanding corporate governance. The mediating factors can be illustrated by using figure 1.



**Figure 1: Mediating factors influences the knowledge management**

**HRM (HRM)**

HRM practises are growing more important as the global economy gets more competitive and uncertain. HRM has subcomponents. Human resources management (HRM) helps organisations create firm-specific capabilities, complex social interactions, and industry knowledge. Organizational performance and long-term sustainability need HRM practises, institutional standards, and philosophical approaches to recruiting, developing, motivating, and keeping employees. Strategic HRM practises and organisational innovation have been the focus of several HRM development initiatives, especially universal or best practise ones. Creative has been related to yearly evaluations, personnel management, rewards, and coaching.

**2. Organizational modernization and Human Resource Management methods**

Human resource management is a remaining stock, with some offering a competitive advantage and others leading to long-term success. Motivated employees boost company performance, according to AMO. Implementing and promoting new items would be easy. Companies introducing new methods require workers who are really daring and can cope with ambiguity. These people have made major contributions to the company's market response, product, and process innovations. Valuable. Performance evaluations boost employee contentment by letting them discuss their work skills. This boosts creativity and productivity. Career management helps people achieve professional goals. People who are pleased with their career management are more likely to be creative [9]. Trained employees may use what they've learned to new goods, procedures, and management methods in their everyday job. Training increases knowledge, abilities, and talents, which boosts worker creativity.

**3. Knowledge management success as a moderator**

HRM process and corporate objectives misalign, causing a black box. According to the black box notion, an invisible piece of technology improves organisational commitment. [10]. CRM is a necessity for innovation and a connection between motivation and result. Researchers have studied quality management as a moderator. Content management is crucial to any company since it connects culture, management, and productivity.

**4. Methodology**

**4.1 Samples**

Survey of Mobility, 2002-2004, found Tanzania's innovative companies in Selangor, Kuantan, Johor, Kedah, Klang Valley, and Perak. This research used its FMM Handbook 2007, which identified 674 significant Thai

market participants. The study's authors sampled 647 big industrial businesses across seven states. Prospective manufacturers had three deadlines for the study. 171 valid surveys were examined, with a success percentage of 25.4%.

#### 4.2 Method of analysis

Hrm systems survey includes job assessment, succession planning, development, and recognition programmes (6 items). Entrepreneurial orientation (6 elements), personal innovativeness (3), and innovation tactics (4 items) were used to assess a firm's economic inventiveness (5 items). Its parts came from previous study. Respondents were then asked to rate each line on a six-point scale, with one indicating many conflicts and the other many similarities. Developing business accounts, including company area, sector, and who controlled there. Conclusions may be assessed using regression [11]. According to a prior research, the size and age of a company affect its innovation concept. The next decade accounted for these dependent assumptions. Career management (0.91), training (0.89), performance assessment (0.87), incentive system (0.87), recruiting (0.82), knowledge management effectiveness (0.96), product innovation (0.89), process innovation (0.88), and administrative innovation (0.89). (0,89). These figures were over 0.60". The figure 2 shows the research framework of this study.

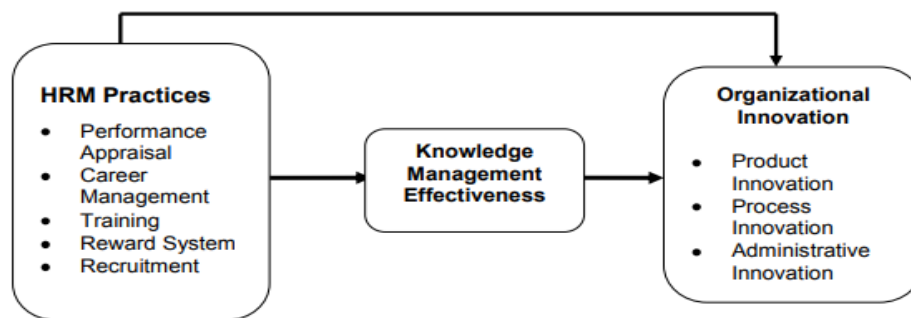


Figure 2: Research framework

#### 5. Results

The results of the study can be explained with the help of following details.

##### 5.1 Companies profile

Table 1 shows survey participants. Pulau Pinang holds three-quarters of the 171 registered large manufacturing firms, followed by Malaysia and Singapore (13.5 percent). Perak, Perak, and Kulim held 11%, 6.4%, and 4% of the population, respectively. Electronics/electrical enterprises have the most cash (26.9%), followed by other industries (25.7%), prefabricated metal components (10.5%), and tyres and polymers (10.5%). 8.8% Textiles (5.9%), catering services (4.7%), vehicles (4.7%), papers and plastic goods (4.1%), consumer durables (2.9%), medical and science (2.3%), recyclables (0.6%), and gears responded (0.6 percent). Only 49.1% of the firms responding are wholly owned by locals, with multinational corporations (386%) and joint initiatives (49%). (12.3 percent). The total firm performance is 1,162.4 (SD = 1779.68), with 150 to 11,000 employees. This research included two main measures. The average age in operation is 23.1 (spread = 10.15) years.

Variable	Frequency	%
<b>Location of Factory</b>		
Kedah	11	6.4
Perak	19	11.1
Pulau Pinang	65	38.0
Selangor	46	26.9
Kuala Lumpur	7	4.1
Johor	23	13.5
<b>Type of Industry</b>		
Electronics / Electrical	46	26.9
Chemicals & Chemical products	5	2.9
Textile	10	5.9
Rubber & plastic products	15	8.8
Food & beverages	8	4.7
Fabricated metal products	18	10.5
Motor vehicles	8	4.7
Basic metal	4	2.3
Recycling	1	0.6
Paper & paper products	7	4.1
Medical & precision	4	2.3
Machineries	1	0.6
Others	44	25.7
<b>Ownership of Company</b>		
100% foreign company	66	38.6
100% local company	84	49.1
Joint venture company	21	12.3

**Table 1: Profile of participating companies[12]**

## 5.2 Descriptive data

Several charts describe the study's factors, such as average value, dispersion, validity, and association strength. Table 2 shows 34 of 36 statistically significant variable relationships. All HRM interactions are statistically significant, from 0 to 0.66. While HR practises and corporate creativity are linked, remuneration and product creation are not " $r > 0.05$  between 0.06 and 0.11 "Statically meaningful connections exist amongst workplace innovation adoption" ( $r = 0.47$ ;  $p = 0.01$ ) and ( $r = 0.55$ ;  $p = 0.01$ ). "Innovation and Management styles are well-matched. P-values ranged from 0% to 15% for Hrm policies and practises and K-management effectiveness. Knowing asset quality and process development had a correlation of 0.42 ( $p 0.01$ ) to 0.63 ( $p 0.1$ ).

		PDI	PCI	ADI	PA	CM	TR	RS	RC	KME
1.	PDI	1.00								
2.	PCI	0.471**	1.00							
3.	ADI	0.535**	0.552**	1.00						
4.	PA	0.283**	0.264**	0.466**	1.00					
5.	CM	0.265**	0.297**	0.455**	0.648**	1.00				
6.	TR	0.352**	0.362**	0.487**	0.585**	0.660**	1.00			
7.	RS	0.060	0.240**	0.345**	0.603**	0.570**	0.555**	1.00		
8.	RC	0.140*	0.112	0.316**	0.444**	0.628**	0.468**	0.480**	1.00	
9.	KME	0.417**	0.443**	0.625**	0.563**	0.652**	0.663**	0.445**	0.514**	1.00
**. Correlation is significant at the 0.01 level (1-tailed).										
*. Correlation is significant at the 0.05 level (1-tailed).										

**Table 2: Intercorrelations matrix[12]**

## 6. Discussion and conclusion

Human resource management was researched to see whether there was a clear relationship between HRM systems and company development. HRM practises helped modernise organisations, according to this research. Knowledge management links HR with innovation. Five HRM practises didn't hinder company creativity. Improved training management increases employees' competencies, according to the research. Employees may

boost organisational innovation with fresh insights and ideas. Improved knowledge management and organisational innovation will benefit industrial enterprises. The study's results promote human development for Malaysian industrial firms [13]. Boot campers are encouraged to use their new knowledge and skills. Training increases learning and knowledge transmission, which enhances organisational processes and inspires creative ideas, modernising products, methods, and admin. Administrative procedures and equipment may be adjusted to match the firm's needs, making operational breakthroughs faster. Annual assessments may enhance administrative systems. Product and process actualization takes years, if not decades, owing to technology. Fair performance evaluations inspire employees. Motivated professionals give more unique thoughts. In certain circumstances, HRM is linked to innovation. Singapore values evaluation (5.20) and learning (5.00). As a foundation, the linkages are useless. The research includes european (35.1%), indigenous (44.7%), and partnership businesses (20.2 percent ). Standard product design education improves product development for managers. Staff should be aware of business connections and bank development initiatives. Management may document to enhance info exchange. The paper trail leads back to that firm. If staff are well-supported, they can apply their skills. Knowledge management training boosts organisational creativity. Organizations must give fair job performance today. Employee motivation from objective job performance increased operational inventiveness [14]. Management should help people learn, communicate, and apply new knowledge to fulfil performance requirements, which may lead to more creative policies and practises [15].

## References

- [1] C. L. Tan and A. M. Nasurdin, "An Empirical Study of Knowledge Management Effectiveness and Organizational Innovation in Malaysian Manufacturing Firms," in *Proceedings of the International Conference on Intellectual Capi*, 2010, pp. 439–447.
- [2] J. K. Harter, F. L. Schmidt, and T. L. Hayes, "Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: a meta-analysis.," *J. Appl. Psychol.*, vol. 87, no. 2, p. 268, 2002.
- [3] D. Hislop, "Linking human resource management and knowledge management via commitment: A review and research agenda," *Empl. relations*, 2003.
- [4] M. Ismail, "Creative climate and learning organization factors: their contribution towards innovation," *Leadersh. Organ. Dev. J.*, 2005.
- [5] F. Damanpour, "Organizational innovation: A meta-analysis of effects of determinants and moderators," *Acad. Manag. J.*, vol. 34, no. 3, pp. 555–590, 1991.
- [6] D. M. Rousseau and M. M. Greller, "Human resource practices: Administrative contract makers," *Hum. Resour. Manage.*, vol. 33, no. 3, pp. 385–401, 1994.
- [9] J. E. Delery and D. H. Doty, "Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions," *Acad. Manag. J.*, vol. 39, no. 4, pp. 802–835, 1996.
- [10] D. Marinova and J. Phillimore, "Models of innovation," *Int. Handb. Innov.*, vol. 1, 2003.
- [11] J. F. Hair, W. C. Black, B. J. Babin, R. E. Anderson, and R. Tatham, "Multivariate data analysis . Uppersaddle River." NJ: Pearson Prentice Hall, 2006.
- [12] C. L. Tan and A. M. Nasurdin, "Human resource management practices and organizational innovation: Assessing the mediating role of knowledge management effectiveness," *Electron. J. Knowl. Manag.*, vol. 9, no. 2, pp. 155–167, 2011.
- [13] Kumar, S., D. D. (2021). Information and Communication Technologies (Icts) as emerging as a Powerful tool for Women Empowerment. Design Engineering, 7376-7383. Retrieved from <http://thedesigengineering.com/index.php/DE/article/view/7817>
- [14] Gupta, S., K., and S. Jain (202) "Analytical Study On Impact Of Retail Marketing On Customer With Respect To Pantaloon Store", *Turkish Online Journal of Qualitative Inquiry (TOJQI)* Volume 12, Issue 7, July 2021: 3073-3082.
- [15] Kumar, S., and B.J., (2021) Pandurang, "E-commerce status in India-an update and its future" *Turkish Online Journal of Qualitative Inquiry (TOJQI)* Volume 12, Issue 7,