# KNOWLEDGE MANAGEMENT ROLE IN THE DEVELOPMENT OF SCOCIAL SECURITY ORGANIZATION

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## ABSTRACT

Social Security Organization is a social organization whose main mission is covering day laborers and salaried workers (compulsory) and self-employed professionals (optionally). In an age that is called knowledge age, knowledge has the highest value in organizations and organizations' success given that markets are becoming more competitive every day depends on the knowledge that the institutions and organizations need in their key processes. Meanwhile the organizations that have a high degree of creativity and work performance manage their knowledge effectively. In this paper, we study processes of social security organization knowledge and we analyze the organization vision that slogans the ideal of social security organization is to achieve a knowledge-based, efficient, stable, trustee and responsive organization in order to promote human dignity and social justice by improving the quality of life and helping to improve the livelihoods and health of the insured and their families. The components of service quality, innovation and satisfaction of the master have been investigated and knowledge management maturity level of each of the components and in development of organizations has been analyzed. We suggest implementing knowledge management systems in the organization, organizing conferences and seminars to increase knowledge and emphasizing innovation.

*Keywords: Knowledge Management, Social Security Organization, Service Quality, Innovation, Customer Satisfaction*

## INTRODUCTION

Today the competition is known to improve service quality as a key strategic issue for organizations that are active in the service sector. Organizations that achieve higher levels of quality of service have higher levels of customer satisfaction as a prelude to achieve sustainable competitive advantages (Gu *et al.,* 2008). In a report released in 2007, the firm Bain & Company (one of the world's largest management consulting firms) provided its results on 25 management tools that managers use them to solve organizational problems. The study began in 1993 and it has been developed for 14 years, and over 11 extended surveys and totally based on the opinions of thousands of senior executives of powerful organizations in more than 70 countries (in North America, Europe, Asia, Africa, the Middle East and Latin America).

Among the 25 reviewed instruments, knowledge management has the eighth rate of application, in the world. Interestingly, the level of knowledge management in Asian companies was seven. But the more interesting thing was that when the managers and directors were asked about their satisfaction about implementation of management instruments, knowledge management has won 22 ranking (very low satisfaction) (Rezazadeh, 2008). Now we live in an age that indeed it can be called Knowledge age (Tarogh, 2002).

Peter Drucker also believes that in today's global economy, knowledge is not a resource just like other sources, such as labor, capital and land, but it is the only significant source of the present age (Drucker, 1992).

Knowledge includes formal knowledge, models, rules, programs and procedures, individuals' skills and experience. It also includes formal knowledge, communicate, analyzing situations, developing new solutions to problems, and doing activities of the organization, cultural issues, customs and values such as

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relationships with audiences of the organization (Watson, 2003). Although knowledge management has been recognized as a tool used by managers to increase efficiency; efficiency and innovation, generally as accepted principles of knowledge management are developing. This is because usually organizations apply some methods of knowledge management that are well established (Madhaven, 2009).

Knowledge management is the art of creating, organizing, applying and transferring knowledge to facilitate understanding situations and decision-making. The degree indicates effective applying of this art in the organization is an indicator to show the maturity of organizational knowledge management.

Evaluation of knowledge management maturity allows the organization to implement its knowledge management skills. There are some indices to measure knowledge management maturity in the organization. These indicators should express the value and effectiveness of knowledge management. Knowledge management maturity evaluating models are based on criteria for measuring the development of knowledge management in organizations (Javdani and Farahi, 2009).

### *Knowledge*

Knowledge is to minimize collection and reading the information not increasing access to information. Efficient knowledge helps remove unwanted data (Norouzian, 2005).

Knowledge management: The art or science of collecting organizational data, converting them into useful and accessible information, as it can be extended to prevent closure of knowledge in a small number of people's mind (Amiri, 2008).

### *Knowledge Management Roles*

Vig conducted a comprehensive study on knowledge management in public organizations, and considered 4 following roles for knowledge management in public organizations:

1. Improving decision making about public services 2.Helping the public to participate in decision-making process 3.Creating competition for intellectual capital 4. Knowledge workforce development (Sharafoddin *et al.,* 2004)**.**

### *The Basic Components of Knowledge Management*

Davenport considers the main components of knowledge management include:

Values and beliefs of the organization's members, practice process, policies, technology (Saber Ghorbani)

### *Production Knowledge Steps*

1- Data 2- information 3- knowledge

The more summarizing the basic information leads to knowledge. In this case knowledge can be defined as insights resulted from data and information that can be categorized in different ways and in a variety of conditions (Norouzian, 2005).
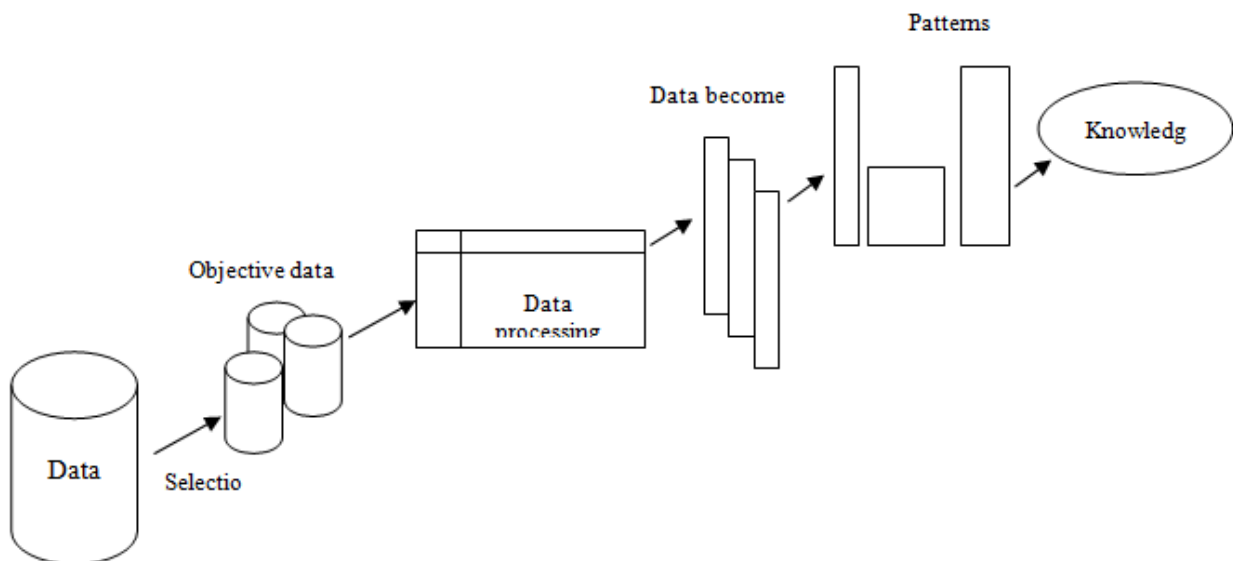


**Figure 1: Knowledge production cycle**

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### Features and Benefits of Knowledge Management (KM)

1- By applying the date knowledge, knowledge management makes human knowledge credible.

2-  It strengthens organizational intelligence.

3- It enables organization in order to adapt to the environment and existing conditions.

4- It provides sustainable innovation and creativity of the organization.

5- It enables the organization to recognize the issues and answer them by new solutions.

6- It fixes the errors and corrects deviations by using the systemic methods.

7- It creates liberal atmosphere appropriate to organizing and leading the new knowledge.

8-  It expands Global Software Movement.

9- It facilitates understanding the ideal and long-term goals in freedom of opinion environment.

10- It prevents corruption by creating liberal atmosphere and the formation of knowledge management.

11- It accelerates the environment of processing of information and knowledge (Karimi, 2006).

### Models (Models of Knowledge Management)

### HICKS Model

So Hysk divides the knowledge creation process into four processes: create, store, publish, and apply.

### Marc (Mccelroie) Model

Mccelroie divides knowledge creation to two large processes of knowledge production and knowledge alignment.

### Beckman Model

Beckman (1999) has suggested the following eight-stages for process of knowledge management

1- Identifying 2-Captureing 3-Selecting 4-Storeing 5-Shareing 6-Applying 7-Creating 8- trading (Jafari, 2006)

Seven Cs model:

This model is based on seven words whose first letter is (C) and hence, it has been called (seven Cs) model. Components of this model include (Grover and Davnpvrt, 2001):

1-Contributeing 2- Capturing 3- Creating 4- Collaborating 5- Consuming 6- Communicating 7- Culture

### Bukowits, w, Williams Model

Implementation of knowledge management process provided by Bukowits, w, Williams includes seven factors, including finding, using, learning, sharing, evaluation, creation and maintenance and for developing knowledge-based assets they should be managed in an integrated manner.

### Nonaka & Takeuchi Model

The Japanese management scholars Nonaka and Takeuchi have had much impact on knowledge management topics. Concept of (tacit knowledge and explicit knowledge) has been classified by Nonaka for planning theory of organizational learning. In this dynamic model, how to use and change these two types of knowledge and how to manage knowledge in this field has been assumed as a spiral (helical) continuous process. The spiral model analyses the knowledge as follows: (saber Ghorbani):

1- Production of knowledge: process knowledge acquisition, knowledge composition, true knowledge, knowledge creation, knowledge record

2- Store of knowledge: the knowledge procedure(quality of knowledge)

3- Application of knowledge: the cause (knowing the cause)

### The Basic Model of Knowledge Structure

This model has been called (base model (building blocks) for KM structure) by Probest *et al.,* (2002). This model's designer considers knowledge management as a dynamic cycle that has a constant rotation. The processes of this model consist of eight components, consisting of two cycles: internal and external.

### Boist Model

Boist model is a kind of model that well depicted the relationships between data, information and knowledge. This model is composed of three parts. Data are considered as inputs for this model. In this model, data are patterns which are obtained after passing data through filters of perception. Boist believes that mental models determine how to respond to the data and information. Since people have different knowledge, they will also have different mental models (Hales, 2001).

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### Odel and Grayson Model
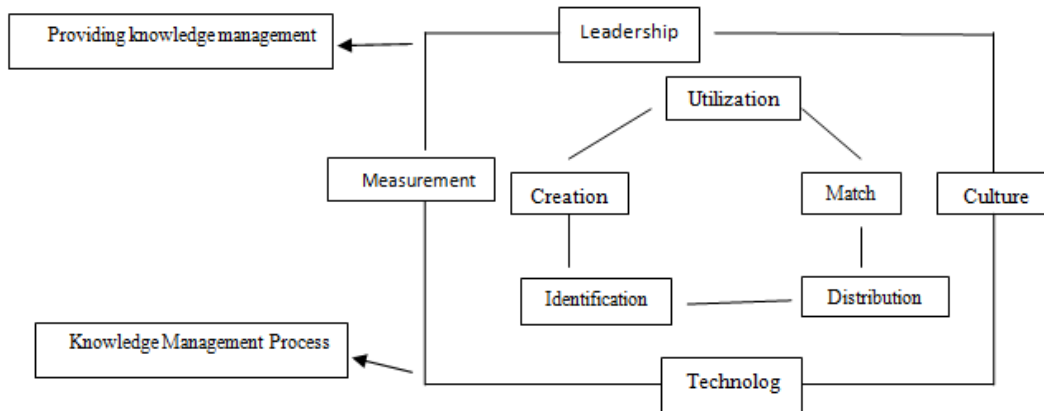Odel and Grayson (1998) have provided a model for knowledge management.



**Figure 2: Three process-based models and providers of knowledge management**

### Six-dimensional Model of Knowledge Management
Neil Perry and Iikka, Tuomi (2001) argue that any partial consideration encounters knowledge management success with serious problems. According to this view, they have offered the six-dimensional model for the implementation of knowledge management (2002) Iikka, Tuomi.

### Abu Zaid Model
Knowledge management reference model KMRM (model Abu Zaid), Abu Zaid has presented Knowledge management reference model KMRM in a new work. Abu Zaid reference model consists of three dimensions: structural, functional and technological resources (Prost *et al.,* 1950).

### Publication Model of Knowledge Management System
This model is a comprehensive plan of publication of knowledge management system presented by Mohammed (2004). This model is resulted from extracted data from the six largest companies in Australia and North America, and it has been plotted based on the opinions of key individuals who participated in the implementation of knowledge management in organizations. This model has 16 major and minor factors and 64 variables (Quddus, 2004).

### Conceptual Model of Knowledge Management System
This model relies on three basic systems: Elements of strategic management, learning and assessment which are related to each other in a systematic cycle (Sotriakoa, 2004).

### Reference Model of Knowledge Management
In recent years, new perspectives on knowledge management have emerged. This view is based on the changing of the following paradigms: 1- Knowledge as a product that is produced and reproduced. 2- Conversion technical - managerial approach to the social approach. 3- Movement from property epistemological in connection with knowledge to the practice epistemology in which the operation and work are related to knowledge. Therefore, the need to revise the existing model of knowledge management and moving toward reference model of knowledge management was felt (Abou-Zeid, 2002).

### Brad Hoyt Model
Hoyt offers a cycle for personal knowledge production. He said personal knowledge is generated through experimental practice with information. In fact, data as inputs can be in different forms. According to Hoyt processing information, experience, practical knowledge, skills and to some extent element of chance and good luck will lead to the production of new knowledge (Hoyt, 2003).

### Steve Hale's Model
Steve Hale's model has much emphasis on the processes of knowledge. This model has presented six-fold strategies as follows: Finding new knowledge, learning and knowledge production, storage, distribution, elimination of waste knowledge and applying knowledge (Hales, 2001).

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*Petter Gottschalk Model*
Petter Gottschalk has presented a model for knowledge management in which knowledge management steps are divided to four levels as follows:
1- Person to Technology 2- Person to Person 3- Person to Information 4- Person to System (Gottschalk, 2006; Alari and Linder, 2001).

*Social Security Organization*
Social Security organization plays an important role in the economic arena. According to the Economic and Social Bureau of this organization 38 million and 193 thousand and 623 people were covered by social security of the total population by the end of September 2014, that more than 12 million 453 thousand and 989 people were main insured persons, and 21 million and 64 thousand and 950 people were dependent.

Also in the same period 4 million and 674 thousand and 684 people in the population are pensioners that up 2 million and 490 thousand and 784 people are the main pensioners and 2 million and 183 thousand and 900 people were subordinates, they also have some activities in the economic field.

The main activities of social security organization are as follows.

Premium Collection - registration and individual accounts - short-term commitments - long-term commitments

What knowledge-based organizations are doing is applying a systematic approach to acquire; store and use the knowledge of their employees and regardless of job title and duties of the staff try to make all employees and managers knowledge-based employees.
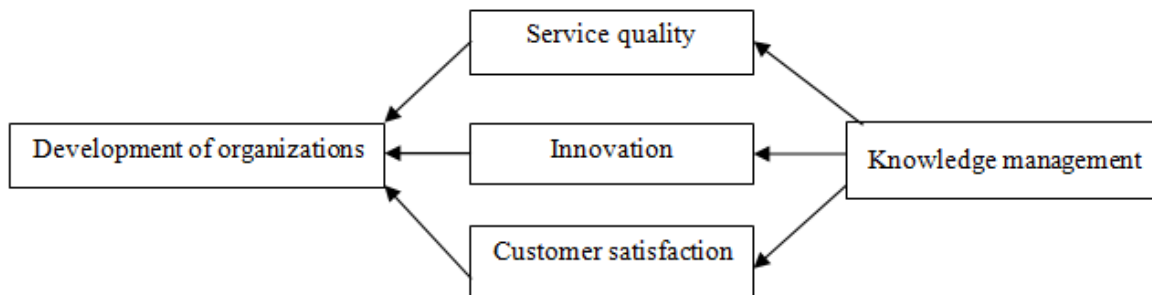


**Figure 3: Research conceptual model**

What is the appropriate model for implementation of knowledge management for Social Security Organization and what factors should be considered in the model, was resulted by taking idea from evaluating different models of knowledge management and parameters that were mentioned in various models, were used in new model proposed for this company.

According to these issues this model is proposed as a model for the implementation of knowledge management in organizations.

The first step: determining the knowledge objectives

The main objectives of knowledge management should originate from the main objectives of the organization and to be determined in both strategic and operational organization. Deal intelligently with the knowledge base, is an important factor in the success of the organizations.

The second step: information technology

An appropriate and supportive field makes it possible to apply information technology in one or more stages of the cycle of knowledge management. Knowledge base consists of computer equipment, communications hardware, hardware cost and how to update, the information capacity of computer systems and manual filing system of information (Cutler, 1995).

The third step: Identifying the knowledgeable employees

This step is a process of identifying people who know what and how information is stored in the organization; this storage is done where and how data centers are connected with each other (1989)

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The forth step: Sharing Knowledge

Prerequisite for the conversion of information and experience to what the organization can use is to distribute and share knowledge within the organization. The most important step is to analyze the transfer of knowledge from the individual to the group or organization. The ultimate goal of this process is sharing and distribution of knowledge (Kanklin, 2001).

The fifth step: the development of knowledge based on existing knowledge. Development of knowledge requires examining different ranges and helps organizations to determine the existing amount of knowledge is effective in the firm's success or the need to develop knowledge on the basis of available information is necessary? Targets for the development of knowledge direct the knowledge management and determine what skills should be developed and to what level (Lanman, 2004).

The sixth step: Assessment of Knowledge

In this step existing knowledge and current and future needs of knowledge should be evaluated. To do this it is necessary to measure the development of the knowledge base and investing gains associated with it.

Factors that may make it possible to measure the knowledge base include:

- The impact of knowledge on organizational performance should be recognized and it should be placed in organizational strategic thinking.

- Types of indicators, benchmarks and measures should be created in evaluating the value of organizational assets (Afrazeh, 2005).

## MATERIALS AND METHODS

This research is a descriptive - and scientific-applicable one. The purpose of the survey is to achieve causal inference with the exact comparing the feature of the cases, in descriptive approach, the researcher does not change, but seeks a change that has occurred naturally. (Koochakzade, 2007) In this research studying qualitative barriers to provide service from the perspective of the organization's employees and customers is examined as an approach to organizational develop and mature.

### Hypotheses

### The Main Hypothesis

There is a significant relationship between organizational knowledge and organization development and growth.

### The Sub-hypotheses

Hypothesis 1: there is a significant relationship between knowledge management maturity level and quality of services.

Hypothesis 2: there is a significant relationship between knowledge management maturity level and organization innovation.

Hypothesis 3: there is a significant relationship between knowledge management maturity level and clients' satisfaction.

### Research Methodology

According to data collection tool, population and sampling with respect to the subject of study, this research is an applied research and in terms of the nature it is descriptive - correlation. Library method for theoretical basis and extraction of the criteria was used and questionnaire was used for confirmation of the model parameters, grading factors and indicators. For the mentioned questionnaire, in addition to confirm the validity and reliability by Cronbach's alpha coefficient and factor analysis, the validity of the questionnaire was confirmed by experts in this field. In this study population consisted of 200 employees, employers and insured persons were selected and questionnaire based on the table Cochrane was sent to 127. 118 people responded to the questionnaire.

## RESULTS AND DISCUSSION

### The Main Hypothesis

There is a significant relationship between organizational knowledge management and organizational development and growth.

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$H_0 = M1 = M2$
$H_1 = M1 > M2$

To compare the organizational knowledge management and organizational development gamma correlation test was used, according to calculations, the correlation coefficient is equal to 0.485 and the p value (significance) with 110 degrees of freedom is equal to 0.000 and it is less than significant level $\alpha = 0.05$.

Therefore, we reject the hypothesis $H_0$ and the research hypothesis is confirmed. In conclusion we can say that there is a significant positive correlation between the maturity of organizational knowledge management and organizational development.

**Table 1: Test statistics between the maturity of organizational knowledge management and organizational development**

| total | p | Correlation coefficient | Degree of freedom | Error of the mean deviation | SD | mean | Knowledge Management Maturity |
|---|---|---|---|---|---|---|---|
| 127 | 0.000 | 0.485 | 118 | 4.373 | 42.39 | 285.97 | Organizational development |

***The First Sub-hypothesis***
There is a significant relationship between organizational knowledge management and the quality of service.
$H_0 = M1 = M2$
$H_1 = M1 > M2$
To compare the organization knowledge management and quality of service development, gamma correlation test was used, according to calculations, the correlation coefficient is equal to 0.292 and the p value (significance) with 110 degree of freedom equals to 0.000 and it is less than significant level. Therefore, we reject the hypothesis $H_0$ and the research hypothesis is confirmed. In conclusion we can say that there was a significant positive correlation between the organizational knowledge management maturity and quality of service.

**Table 2: Test statistics between the maturity of organizational knowledge management and quality of service**

| total | p | Correlation coefficient | Degree of freedom | Error of the mean deviation | SD | mean | Knowledge Management Maturity |
|---|---|---|---|---|---|---|---|
| 127 | 0.000 | 0.292 | 118 | 1.548 | 15.015 | 76.021 | Quality of service |

***The Second Sub-hypothesis***
There is a significant relationship between organizational knowledge management and innovation
$H_0 = M1 = M2$
$H_1 = M1 > M2$
To compare the organization knowledge management and quality of service development, gamma correlation test was used, according to calculations, the correlation coefficient is equal to 0.445 and the p value (significance) with 110 degree of freedom equals to 0.000 and it is less than significant level $\alpha = 0.05$. Therefore, we reject the hypothesis $H_0$ and the research hypothesis is confirmed. In conclusion we can say that there was a significant positive correlation between the organizational knowledge management maturity and innovation.

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**Table 3: Test statistics between the maturity of organizational knowledge management and innovation**

| total | p | Correlation coefficient | Degree of freedom | Error of the mean deviation | SD | mean | Knowledge Management Maturity |
|---|---|---|---|---|---|---|---|
| 127 | 0.000 | 6.610 | 118 | 1.201 | 11.64 | 69.20 | innovation |

*The Third Sub-hypothesis*
There is a significant relationship between organizational knowledge management and client satisfaction.
$H_0 = M1 = M2$
$H_1 = M1 > M2$

**Table 4: Test statistics between the maturity of organizational knowledge management and client satisfaction**

| Total | p | Correlation coefficient | Degree of freedom | Error of the mean deviation | SD | mean | Knowledge Management Maturity |
|---|---|---|---|---|---|---|---|
| 127 | 0.000 | 0.312 | 118 | 1.092 | 10.590 | 97.595 | client satisfaction |

To compare the organization knowledge management and quality of service development, gamma correlation test was used, according to calculations, the correlation coefficient is equal to 0.312 and the p value (significance) with 110 degree of freedom equals to 0.000 and it is less than significant level $\alpha = 0.05$. Therefore, we reject the hypothesis $H_0$ and the research hypothesis is confirmed. In conclusion we can say that there was a significant positive correlation between the organizational knowledge management maturity and client satisfaction.

*Conclusion*
According to initial surveys of the organization staff and clients, the lack of using employees' knowledge, lack of strong knowledge management system, using external organizational knowledge regarding the powerful forces within the organization and lack of conditions for knowledge sharing between colleagues, employees with clients and employees with Senior organizational managers are some of the most important factors is the lack of maturity of knowledge management in social organization.

In this study, meanwhile the expression of the six steps of the development and maturity of knowledge management including: determining the objectives of knowledge, information technology, knowledge-based personnel identification, knowledge sharing, knowledge development based on the existing knowledge and evaluating knowledge, it has been tried to highlight the role of information technology in order to provide better services with higher quality.

Social security organization is a public, non-governmental and leading institution to provide social services that half of the population is under its protection, to pace with progress it requires efficient use of IT knowledge and developing knowledge maturity at all levels (employees, insured, pensioners and employers).

Paying attention to this research has identified organization's strengths and weaknesses, Strength points such as educated staff, powerful equipment in the field of information technology, patient clients and weak points such as lack of knowledge management systems, proper education system with the Ministry of Science headlines.

*Suggestions*
Encourage partners to provide new ideas, trying to provide spiritual and material rewards for creative people, considering all the successful factors in the innovation and creativity and implementation of knowledge management in the organization.

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