

## **The Relationship Between Knowledge Management with Creativity Among Staffs of Ghavamin Bank, West Azerbaijan Province, Iran**

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**Abstract:** The aim of this study was to investigate the relationship between knowledge management with creativity among staffs of Ghavamin Bank, West Azerbaijan Province, Iran. The research method was descriptive and correlation type. The population was all the branches of Ghavamin Bank of West Azarbaijan province (148 individuals) who 95 individuals were randomly participated in the study based on Morgan table. Regression and correlation were used for data analysis.

**Key words:** Knowledge management, creativity, performance progress, correlation, regression, Morgan table

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### **INTRODUCTION**

Knowledge management is one of the new concepts in knowledge management and is a vital source for the success of today's organizations (Gold *et al.*, 2001). In today's world, communities and organizations are seeking sustainable competitive advantage. In this context, knowledge management is useful tool for organizations to develop their intellectual capital, encourage innovation and to maximize their performance. Age of changes and drastic changes is in the technologies. The age that its intellectual structure is deepening to information and attention to participation of creative labor force and knowledge oriented rather than functional manpower force. Therefore, careful management is to do more and better to use a tool called knowledge to face and deal with the factors of uncertainty and creativity to expand its competitive position. In faced with the rapid changes of today, the companies must to adapt and to update their knowledge in order to maintain competitive advantages, (Rademakers, 2005). However, previous studies have shown that knowledge management issues are complex. Some researchers are associated with competitive advantages and others e-Commerce.

Some are related to organizational learning and others to organizational innovation (Darroch, 2005). Gold *et al.* (2001) examined the issue of effective knowledge management from the perspective of organizational capabilities. It states that the knowledge infrastructure including technology, structure and culture associated with integrated architecture process and conversion, utilization and protection are the necessary organizational

capabilities or preconditions that are effective for knowledge management. These results provide the basis for understanding a company's competitive ability at the time of its entry into a knowledge management program. Cui *et al.* (2005) also stated that knowledge management capabilities are comprised of three interrelated processes: knowledge acquisition, knowledge and applying knowledge. Knowledge is not only an important resource for a company but also a major source of competitive advantage (Gold *et al.*, 2001).

Therefore, knowledge management capabilities refer to organizational knowledge management processes within the organization that has expanded knowledge within company (Gold *et al.*, 2001). Youndt *et al.* (1996) believe that organizations are successful and can survive in a competitive world that constantly applies new ideas in the organization. This is possible by creative managers and staff. When institutes develop creativity arrangements, they rely on the knowledge, skills and commitment of the members in the process of value creation. It should be noted that creativity creation in the organization and using organizational capabilities to take advantage of new ideas requires knowledge and knowledge management in organization.

Nowadays, because of developments and changes in the modern world that is the era of information and communication and because of instability, change and unpredictability of these changes, something that help those countries, especially developing countries in order to increase productivity and progress is usage of opportunities to compete with other countries and this is not possible unless the improvement, innovation

and creativity in organizations. In the present era, organizations are successful and efficient that in addition to coordination with developments in today's society, they can anticipate changes in the future and to be able to guide these changes in order to create favorable developments for the better future. As Toffler said only by using innovative changes to guide changes that can keep us safe from future shock damage and achieve to more human and a better future.

Today, organizations in the post-industrial are knowledge-based organizations and their success and survival of creativity depends on innovation, diversity and innovation. Creativity researchers in their research have developed their view from the level of individual variables to the field variables. They found that the environment provide opportunities by addressing the constraints and reward for prosperity, according to this argument, developing countries emphasis much on education and innovation and in this direction provide special attention in the selection of creative, innovative and forward-thinking which present innovative and creative approaches to complex issues. Creative organizations possess special characteristics. The most important feature of these organizations is their flexibility in dealing with crises that often result from economic competition. Increasing creativity in organizations can lead to improve the quantity and quality of services, reduce costs, avoid wasting resources, reduce Bureaucracy, increasing competition, increasing efficiency and productivity, motivation and job satisfaction. The lead role of manager is in creativity, stimulation of staffs and delegation of authority to staff to find creative minds and to use the creativity of others (Liao and Wu, 2010).

Successful programs of knowledge management can improve corporate performance. The performance has different aspects and positions and performance of the company should be evaluated with respect to competitors. In a comprehensive view of the performance, not only financial perspective but also, the creation of value should be considered. This study seeks to answer the question whether there is the relationship between knowledge management with creativity among staffs of Ghavamin Bank of West Azerbaijan Province, Iran.

## MATERIALS AND METHODS

The research method was descriptive and correlation type. The population was all the branches of Ghavamin Bank of West Azarbaijan Province (148 individuals) who 95 individuals were randomly participated in the study based on Morgan table. Knowledge management and creativity were the independent and the dependent variable, respectively. The study was performed after

describing in detail to participants the introductory remarks about the gauges and the purpose of the test, how to response to tests. It can be noted that regarding to ethical considerations, they were assured that the information will be used only in the research and be protected from any abuse after obtaining the consent of the people and giving the necessary knowledge. The questionnaire was used to measure the variables. The research questionnaire was consisted of demographic information of staff, knowledge management questions based on Newman and Conrad Model in four aspects: creating knowledge, using knowledge, transferring knowledge and maintaining knowledge in 21 question and assessment of creativity based on Torrance including four political aspects of flexibility innovation and the expansion in detail in the 15 questions. The validity of the questionnaire was confirmed by professors and experts. For reliability, Cronbach's alpha was used. The finding showed the 0.717 and 0.851 coefficients for creativity and knowledge management, respectively. Also, 0.75, 0.603, 0.645 and 0.713 was achieved for knowledge creation, transferring knowledge, using knowledge and maintaining knowledge, respectively that indicated appropriate reliability of the measurement tool. Regression and correlation were used for data analysis. In all analyzes, the significance level was considered  $p < 0.05$ .

## RESULTS

The results of Kolmogorov-Smirnov test showed normal distribution of the data ( $p > 0.05$ ). To examine the relationship between variables, Pearson correlation was used. Results are presented in Table 1. There was a positive and significant relationship between knowledge management and creativity of staff. There was positive and significant relationship between knowledge and creativity of staffs. There was a significant and positive relationship between transfer of knowledge and creativity. There was positive and significant relationship between using knowledge and creativity of staff. There was positive and significant relationship between maintaining knowledge and creativity of staff.

Regression analysis of knowledge management and creativity is presented in Table 2. It can be concluded that the variables of creating knowledge, transferring knowledge were significant at 99% confidence level to predict creativity (Sig.  $< 0.01$ ). Variables of using

Table 1: The correlation between the research variables

Variables	Knowledge management	Creating knowledge	Transferring knowledge	Using knowledge	Maintaining knowledge
Creativity					
r	0.529	0.497	0.462	0.293	0.39
p	0.000	0.000	0.000	0.004	0.00

Table 2: The results of multivariate regression analysis

Model 1	Non-standardized coefficient (B)	SE	Standardized coefficient (β)	t-values	Sig.	Multicollinearity statistics	
						Tolerance	VIF1
Fixed	0.849	0.351	-	5.274	0.000	-	-
Creating knowledge	0.459	0.104	0.463	3.990	0.001	0.470	2.126
Transferring knowledge	0.461	0.087	0.476	3.862	0.002	0.633	1.580
Using knowledge	0.049	0.087	0.056	0.561	0.576	0.779	1.284
Maintaining knowledge	0.008	0.094	0.011	0.089	0.929	0.489	2.045

Dependent variable: creativity

knowledge and maintaining knowledge were not significant at the 99% confidence level to predict creativity (Sig. >0.01). In order to investigate the effects of two variables in the regression model on dependent variable, the coefficients column was used. So in this study, the regression equation was as follows.

The obtained results of the regression coefficients indicated that 46% of the variance of creativity variable is justified with creating knowledge. And 47% of transferring knowledge variable justifies these changes that due to coefficient can be said that the transferring knowledge variable the greatest impact on creativity than creating knowledge:

$$y = 0.85 + 0.46x_1 + 0.47x_2$$

## DISCUSSION

The aim of this study was to investigate the relationship between knowledge management with creativity among employees of Ghavamin Bank, West Azerbaijan Province, Iran. The results showed that there was a significant relationship between knowledge management and all its aspects with creativity in staffs of Ghavamin Bank, West Azerbaijan Province, Iran. These findings were consistent with the results by Sung and Choi (2012), Lopez-Nicolas and Merono-Cerdan (2011) and Choi and Lee (2003). Khadem-Abbas-Khiabani found the impact of knowledge management on creativity and innovation. Choi and Lee (2003) reported a positive relationship between knowledge management innovations. In today's world, more of a business activity is based on information and this is considered a competitive advantage for organizations. Great source of this information can be provided through the knowledge and experience of human resources. In these circumstances, better use of human resources and their knowledge and experience can be one of the success factors for organizations. If we are thinking of using existing knowledge in the organization will be recognized that there are many resources available in the organization. Transferring experience and knowledge and the sharing of knowledge between staffs of the

organization create value for the organization. Knowledge is real assets of an organization that operates based on the principles of free market and emphasize on integration in sectors and its principles.

In recent years, knowledge management has become a critical issue in the business literature. Scientific and business communities both believe that organizations with the power of knowledge can maintain competitive advantages in the field of long time. Successful application of knowledge management can improve corporate performance. The concept of performance has different aspects and positions and performance of the company should be evaluated with respect to competitors. In a comprehensive view of performance, not only financial perspective but also the value creation should be considered. Knowledge management is a new form of using computers in the organization.

Knowledge management is a process which helps organizations to identify, select, organize and distribute important information and specialized knowledge that are part of the organizational memory and generally are in the not formed structure in organization. The structuring of knowledge makes the process to be efficient and effective problem solving, dynamic learning, strategic planning and decision-making. Knowledge management emphasize on identifying and extracting knowledge with a systematic method. Provoking organizational creativity and assign the appropriate time to teach creative thinking techniques to personnel is a critical issue. For creating creativity and new products, management should create sustainable balance between performance of knowledge management, intelligent scientific commitment and performance of the technical tools. An appropriate combination of intelligent resources can help managers to better anticipate problems and conduct innovative efforts and contribute to more efficient knowledge management while focusing on the availability of organization's objectives.

## CONCLUSION

The results showed that there was a significant relationship between knowledge management and all its aspects with creativity among staffs of Ghavamin Bank, West Azerbaijan Province, Iran.

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