MANAGING KNOWLEDGE IN ORGANIZATIONS: ON KNOWLEDGE CREATION, RENEWAL, HIDING AND FORGETTING

Ana Aleksić Mirić
University of Belgrade

Matej Černe
University of Ljubljana

Tomislav Hernaus
University of Zagreb

Volume 9, Number 1 of the Dynamic Relationships Management Journal (DRMJ) is about many important phenomena occurring in contemporary organizations. As knowledge work, creativity and innovation become increasingly important for achieving competitive advantage, organizational learning and knowledge management continue to represent pillars for organizations to successfully create, manage and capitalize on knowledge and ideas.

Organizational learning and knowledge management research and practice have gone through a remarkable transformation in the last thirty years. A review carried out by Crossan & Guatto (1996) shows that in the 1960s only three papers on organizational learning were published, whereas during the 1970s, the 1980s and the mid-1990s, there were as many as 64. In the course of the 2000s, interest in the field of knowledge management is becoming increasingly important (Zollo, Reuer & Singh, 2002). Lyles (2014) states that between 2001 and 2010, ISI/Web of Knowledge journals published 1,926 papers that included "knowledge creation" and "organization" among the key words. As a result, a significant body of knowledge was generated and different disciplinary perspectives were developed: we know much about the nature of organizational learning, different types of learning and learning mechanisms, the learning process itself, etc. However, something seems to be missing from the current discussions on organizational knowledge: the existing research is predominantly focused on learning *as "*the acquisition of new knowledge by actors who are able and willing to apply that knowledge in making decisions or influencing others in the organization (as learning is defined by Miller, 1996, for an example), but real-life practice teaches us that *companies don't just learn; they also forget* (Holan, Phillips, & Lawrence, 2004; Holan & Phillips, 2003; Hedberg, 1995).

The easiest way to understand the process of **organizational forgetting** is to compare it to individuals – intentionally or unintentionally, people forget, usually some issues they regard as less important or unimportant, but, eventually, they sometimes forget even very important things. Organizations also go through the process of forgetting. They forget intentionally or unintentionally and consequently lose knowledge.

An intentional process of organizational forgetting happens often in situations when **organizations must unlearn old patterns and previously acquired knowledge to acquire new knowledge and skills** (Nystrom & Starbuck, 1984). This comes through the process of intentional organizational "unlearning" (Hedberg, 1995; Starbuck, 1996) and requires both behavioral and cognitive changes and that organizations change their ways of doing business and their understanding of the organization and its ways of functioning in the given environment. The loss of knowledge in organizations in this case comes from a purposefully led action of rejecting outdated ways of doing business.

On the other hand, organizational forgetting might also come as an **unintentional loss of organizational knowledge**, which might happen, for instance, as the effect of some crisis (computer memory crash, loss of documents or systems, unintentional loss of certain repositories, or uninten-

tional loss of knowledge held by individuals). In this case, forgetting comes as an unintentional event which eventually confronts organization with the effects of the resources lost in the process. Forgetting occurs as a result of losing a particular resource in the organizational knowledge base. There are common cases, for example, in the process of organizational downsizing, when, for various reasons, loss of organizational knowledge occurs.

Macro challenges inspired by globalization and tremendous development of information technology have changed the world we knew, patterns of organizing, and standards of performance. Organizations have faced the challenge of fast learning, because the speed of learning determined their survival; the learning within organizations needed to be at least equal to the level of external changes, if not greater, to enable organizational survival. Companies have invested much in the recent past to develop organizational capabilities, structures, systems, and processes that will enable them to learn fast. However, far **less attention is given to developing capacities to unlearn what is not relevant anymore** and organizational mechanisms that will help organizations forget past behavioral practices and ways of doing things.

The papers in this issue address some of these topics, or other important challenges related to organizational dynamics and behavior in organizations. The first one is co-authored by Namita Ruparel and Rajneesh Choubisa, who present a **narrative retrospective review of the field of knowledge hiding**. Given the importance of knowledge hiding and the growing popularity of this sub-field of knowledge management, their study systematically and retrospectively reviews thirty-five research articles on knowledge hiding in the last decade. Knowledge hiding field is categorized into sub-topics, and the authors discuss the scope and significance of each of them in relation to existing studies. Finally, the authors develop potential avenues for future research from theoretical, methodological, thematic and demographic perspectives, along with managerial implications.

The second paper of this issue, authored by Matea Zlatković Radaković, focuses on **knowledge and organizational renewal**. Her paper addresses and empirically tests the complementary role of tra-

ditional intellectual capital dimensions in organizational renewal in the context of a transition economy. 224 organizations were surveyed, with findings indicating that relational and structural capital are related to knowledge renewal, highlighting the significance of different forms of knowledge in organizational renewal. Theoretical and managerial implications are related to contributions in terms of effective management of intellectual capital by considering different knowledge sources and inter-relationships in relation to organizational renewal.

The third paper included in this issue is co-authored by Jasmina Knežević and Tatjana Krstić, and looks into the **relationship between self-regulation and job insecurity**. More precisely, the authors examine the way in which an increase in the quality of self-regulation influences the affective component of job insecurity: feelings of powerlessness and the perception of threat intensity. A study of 310 employees indicated that self-regulation is associated with threat perception and sense of powerlessness. The authors found that integrated self-regulation related to a lower level of threat perception, whereas the impersonal self-regulation linked to higher perception of threat and sense of powerlessness. Their paper highlights the role of personality dispositions vis-à-vis threat and complements the stream if research highlighting value of self-determination theory in the organizational context.

The fourth paper included in this issue is written by Besa Haxhiu Berisha, and deals with **multi-generational management**, that is, managing across generations. It presents a descriptive case study of Bibita Group, combining qualitative and quantitative research methods. The results of her paper help scholars and practitioners in better understanding the characteristics of employees pertaining to specific generations, as well as their preferred motivational factors. The paper concludes that the benefits earned from employing a multigenerational staff in a company outrun the difficulties and consequences associated with the challenges of managing the gap between them.

The final paper of this issue is co-authored by Sabina Bogilović and Primož Pevcin, and looks into **creativity and innovation in the context of cities**, its administration and characteristics according to multiple studied dimensions. Based on a case study approach

and secondary data, cities of Ljubljana Bratislava, Tallinn, and Edinburg are analyzed according to technological-innovative, cultural-intellectual, cultural-technological, and technological organizational characteristics and city types, providing implications for management of knowledge creation, creativity and innovation in the studied cities and beyond.

To conclude, we hope this issue stimulates further research on phenomena related to organizational learning and knowledge management, knowledge creation, renewal, hiding, and capitalization, at and across different levels. It also further behooves us to understand organizational unlearning and forgetting, their potential boundary conditions and situations in which they are useful and meaningfully contribute to long-term organizational performance. Furthermore, we hope that future studies might further explore organizational dynamics and organizing considerations at multiple levels that crucially frame these important challenges for contemporary organizations.

Ana Aleksić Mirić, Matej Černe, and Tomislav Hernaus

REFERENCES

Akgün, A. E., Byrne, J. C., Lynn, G., & Keskin, H. (2007). Organizational unlearning as changes in beliefs and routines in organizations. *Journal of Organizational Change Management*, *20*(6), 794-812.

Argote, L., McEvily, B., & Reagans, R. (2003). Managing knowledge in organizations: An integrative framework and review of emerging themes. *Management science*, *49*(4), 571-582.

Benkard, C. L. (2000). Learning and forgetting: The dynamics of aircraft production. *American Economic Review*, *90*(4), 1034-1054.

Carmona, S., & Gronlund, A. (1998). Learning from forgetting: An experiential study of two European car manufacturers. *Management Learning*, *29*(1), 21-38.

Mary, C., & Tracy, G. (1996). Organizational learning research profile. *Journal of Organizational Change Management*, *9*(1), 107-112.

Darr, E. D., Argote, L., & Epple, D. (1995). The acquisition, transfer, and depreciation of knowledge in service organizations: Productivity in franchises. *Management science*, *41*(11), 1750-1762.

de Holan, P. M., Phillips, N., & Lawrence, T. B. (2004). Managing organizational forgetting. *MIT Sloan Management Review*, *45*(2), 45.

de Holan, P.M. & Phillips, N. (2003), Organizational Forgetting, in Easterby-Smith, M. and Lyles, M.A. (Eds.), Handbook of Organizational Learning and Knowledge Management, Blackwell, Oxford, pp. 393-409.

de Holan, P. M. & Phillips, N. (2004). Remembrance of things past? The dynamics of organizational forgetting. *Management science*, *50*(11), 1603-1613.

Eisenhardt, K. M., & Martin, J. A. (2000). Dynamic capabilities: what are they?. *Strategic management journal*, *21*(10-11), 1105-1121.

Epple, D., Argote, L., & Murphy, K. (1996). An empirical investigation of the microstructure of knowledge acquisition and transfer through learning by doing. *Operations Research*, *44*(1), 77-86.

Grant, R. M. (1996). Toward a knowledge-based theory of the firm. *Strategic management journal*, *17*(S2), 109-122.

Hedberg, B. (1981), How Organizations Learn and Unlearn, in Nystrom, P. and Starbuck, W. (Eds.), Handbook of Organizational Design, Oxford University Press, Oxford, pp. 3

Lyles, M.A. (2014), Organizational Learning, knowledge creation, problem formulation and innovation in messy problems, *European Journal of Management*, 32, 132–136.

Nonaka, I. (1991), The Knowledge-Creating Company, *Harvard business review*, 69, 96-104.

Nonaka, I. (1994). A dynamic theory of organizational knowledge creation. *Organization science*, *5*(1), 14-37.

Nystrom, P. C., & Starbuck, W. H. (1984). To avoid organizational crises, unlearn. *Organizational Dynamics*, *12*(4), 53-65.

Schulz, M. (2001). The uncertain relevance of newness: Organizational learning and knowledge flows. *Academy of management journal*, *44*(4), 661-681.

Smunt, T. L. (1987). The impact of worker forgetting on production scheduling. *International Journal of Production Research*, *25*(5), 689-701.

Starbuck, W.H. (1996), Unlearning Ineffective Or Obsolete Technologies, *International Journal of Technology Management*, 11, 725-37.

Szulanski, G. (1996). Exploring internal stickiness: Impediments to the transfer of best practice within the firm. *Strategic management journal*, *17*(S2), 27-43.

Wickelgren, W.A. (1976), Memory Storage Dynamics, in Estes, W.K. (Ed.), Handbook of Learning and Cognitive Processes, Lawrence Erlbawn Associates, Hillsdale, NJ, pp. 321-361.

Zollo, M., Reuer, J.J., Singh, H., (2002), Interorganizational Routines and Performances in Strategic Alliances, *Organization Science*, 13(6), 701–713.