



## **An Overview on the Effect of Knowledge Management Processes on Organizational Agility with Mediating Role of Organizational Culture at Offices of Maroun Oil and Gas Exploitation Company**

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### **ABSTRACT**

The main objective of this study was to evaluate the effect of Knowledge Management Processes on organizational agility with mediating role of organizational culture at offices of Maroun Oil and Gas Exploitation Company. The statistical society of this study consisted of 300 employees and administrators of Maroun Oil and Gas Exploitation Company, 169 of them were selected as samples using Kerjesi and Morgan table and simple random sampling method. The study is functional based on its objective and in terms of data collection, it is considered a descriptive research, and in terms of causal relation between variables, it is specifically based on structural equation modeling. In this study, data were collected using questionnaire. The questionnaire used in this research include: knowledge management processes questionnaire: Safai et al. (2011); Denison Organizational Culture (2000); and organizational agility, noble and Zhang, (2000). Validity of the questionnaire was obtained in consultation with experts, as well as determining the reliability and validity of the questionnaire by Cronbach's alpha. To measure the research variables and questionnaire methods of statistical analysis using SPSS and LISREL is used. Data analysis confirmed the mediating effect of organizational culture and organizational agility in association with knowledge management processes. It was proposed that according to common values in the areas of knowledge sharing and enhancement, learning atmosphere, supportive culture, competitive atmosphere, include features of a favorable environment for the implementation of knowledge management.

**Keywords:** Knowledge Management Processes, organizational agility, organizational culture, offices of Maroun Oil and Gas Exploitation Company.

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### **INTRODUCTION**

New business era in the 21st century recognized change as one of main features [1]. Experts believe that the causes of changes to the business world are increasingly accessible technology, intense competition in IT development, globalization of markets, business competition and rapid growth access to technology. Hence, in such an environment, organizations cannot be directed and controlled with previous traditional methods. It requires effective and efficient response to these changes and competitive advantage of its opportunities for achieving organizational agility [2]. Organizational agility is competitive advantage functioning infrastructure of a company [3]. Companies often pay attention to competitive advantages to improve their competitive capabilities. If organizations develop agility capabilities, they will be able to cope with their changing environment and uncertain business. Organizational agility content was developed from flexibility in economy. Organizational agility is always associated with the business environment. In other words, the requirements and environmental conditions determine the need for organizational agility [4]. The organizational agility capabilities should be contrasted with the severity of environmental changes and their market turbulence to be assessed. However, more agile organizations adapt to changes in thinking and willing to take advantage of potential opportunities in a turbulent environment is to take advantage of the opportunity to gain competitive advantage in the market [5]. In this study, Sharifi and Zhang model [6] was to review organizational agility, which includes four dimensions. On the other hand, one of substrates suitable for achieving competitive advantage in the

organization is the use of knowledge management processes. Today, organizations form in an external environment characterized by globalization, rapid technological changes and increased competition. The establishment of global financial markets and the need to reduce the time in providing high-quality products and services, significant pressure on organizations to gain competitive advantage could enter. In the process of gaining competitiveness, "knowledge for organizations to financial resources, market position, technology or any other organizational asset is considered more important."

Although the common use of the term "knowledge management" began in 1980; knowledge management expression existed from decades before that. For the first time in early 1960, Peter Drucker planned the expression of "knowledge workers". Singh called "learning organization" raised the organization's past experiences stored in enterprise storage systems can learn. The organizations knowledge creation, use and sharing, and how such knowledge help to promote innovation [7].

In this study, we used to measure organizational culture dimensions we Denison. To investigate these issues, we must answer a fundamental question:

1. How does knowledge management processes mediating role of organizational culture on organizational agility in Maroun Oil and Gas Exploitation Company's offices?
2. The theoretical framework:

In this section of the paper outlines the history of literature and research on knowledge management processes, organizational culture, and organizational agility will be discussed.

**RESEARCH MODEL AND HYPOTHESES**

The image below shows the conceptual model proposed is based on theoretical principles. The impact model of knowledge management processes mediating role of organizational culture on organizational agility show. Knowledge management indicators include: identifying the knowledge, knowledge acquisition, knowledge development, knowledge sharing, knowledge utilization, maintenance knowledge and organizational agility indicators include (competency, accountability, flexibility and speed) is. Relations between each of the variables and their impact can be expressed in the following model. According to the theory behind these indicators and dimensions are obtained.

Knowledge Management Processes		Organizational Agility
Knowledge Identification		Responsibility
Knowledge Acquisition	Organizational Culture	Qualification
Knowledge Development		Flexibility
Knowledge Sharing		Speed
Knowledge Efficiency		
Knowledge Maintenance		

Figure 1: The conceptual model (self-made)

**Hypotheses:**

The main hypothesis: Knowledge management processes impact mediating role of organizational culture on organizational agility in offices of Maroun Oil and Gas Exploitation Company

Hypothesis 1: Knowledge management processes have impact on organizational agility in offices of Maroun Oil and Gas Exploitation Company

Hypothesis 2: Knowledge management processes have impact on organizational culture in offices of Maroun Oil and Gas Exploitation Company

3. Sub-hypothesis: organizational culture impacts organizational agility in offices of Maroun Oil and Gas Exploitation Company

**Research Methodology:**

This study is based on the purpose and method of data collection is considered descriptive of the type of research, and in terms of the relationship between variables is causal. Data were collected in this study, questionnaire. The questionnaire used in this research (knowledge management processes: ; Denison Organizational Culture). In total 169 questionnaires were distributed and a similar number of questionnaires were collected valid. The questions are divided into two categories: general and specialized questions, based on the scale five-point Likert (very low, low, medium, high and very high), respectively. In order to determine the reliability of questionnaires, Cronbach's alpha using SPSS statistical software was used. The table below lists each variable and Cronbach's alpha coefficient measuring buoy-provided for each variable is specified.

Independent Variable	Cronbach Alpha	Number of Items
Knowledge Management Process	0.901	18
Organizational culture	0.791	10
Organizational agility	0.899	17

Table 1: outlines the variables, dimensions and instrument validity study

As seen in the table above, Cronbach's alpha coefficient indicates research tool is the reliability and trustworthiness. It is also to be noted that questions the validity of two-factor content validity and reliability were used. To test the validity of the questionnaire content of the collective opinions of experts, academics and experts was used; and finally ensure that the characteristics of the researchers administered questionnaires. Managing credit test questionnaire with the help of confirmatory factor analysis was performed using LISREL software. Looking at the results of LISREL in Table 2; it is seen that all three measures, the conditions listed are met and appropriate models. Overall, the results of this study indicate that reliable and valid questionnaires are good.

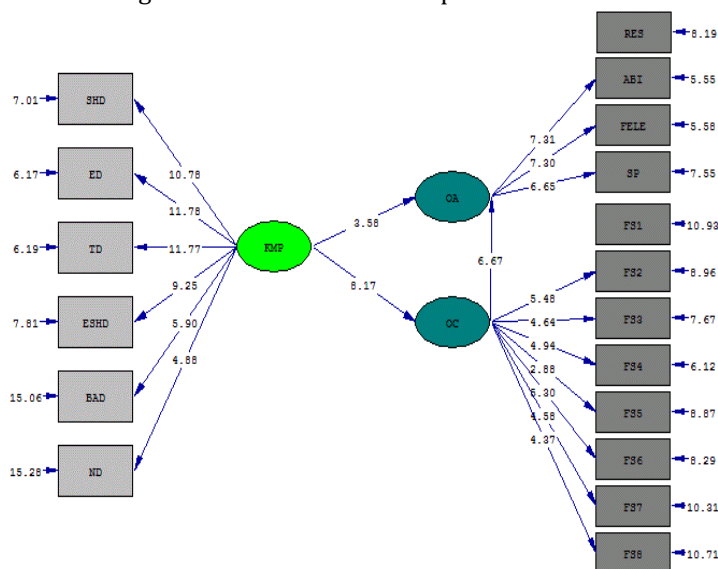
Research findings: In this section of the paper outlines the results of confirmatory factor analysis models were measured and the results from the test research hypotheses using statistical software LISREL will be discussed.

Check measurement models: In structural equation modeling is necessary to ensure the accuracy of measurement models. So then measure the results of confirmatory factor analysis models variables are provided.

Measurement model	Type of confirmation factor	X <sup>2</sup>	Df	X <sup>2</sup> /df	p-value	RMSEA	GFI	AGFI
Knowledge Management Process	First time	174.30	129	1.34	0.00487	0.046	0.91	0.90
Organizational culture	Second time	35.65	20	1.75	0.01692	0.069	0.95	0.91
Organizational agility	Third time	150.02	115	1.30	0.01569	0.043	0.92	0.91

Table 2 compares the measurement models

As seen in the table above, confirmatory factor analysis models for measuring knowledge management processes, organizational culture, and organizational agility shows that the main indicators fit all latent variables in scope are appropriate and acceptable. In other words conceptual model is largely based on observed data. The findings of the research study. After confirmatory factor analysis and identification of latent variables in this analysis is right, we will continue to test research hypotheses. To test the hypotheses, structural equation modeling and LISREL software is used. The implementation of structural equation modeling to test the hypothesis, the software indicates that output is fitted structural model (36/1 = / df2χ; 047/0 = RMSEA; 92/0 = GFI; 91/0 = AGFI; 95/0 = NFI; 97 / 0NNFI =; 99/0 = CFI). In other words, the observed data to a large extent based on a conceptual model of research. Chart 1



Chi-Square=179.20, df=132, P-value=0.00395, RMSEA=0.047

Figure 1: Structural model of research for main hypothesis test in standard estimation

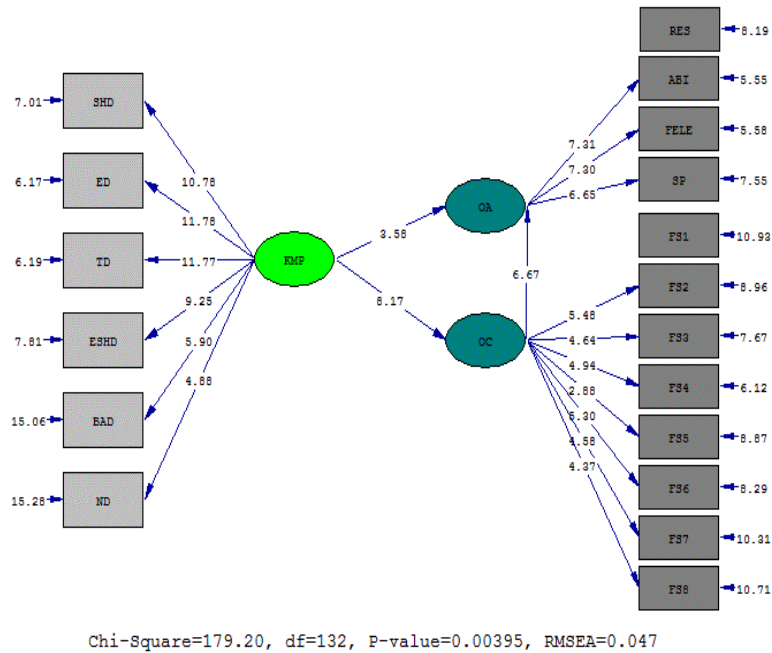


Figure2. Structural model coefficients for significant numbers for main hypothesis test  
Structural equation modeling results show that knowledge management processes have a positive impact on organizational agility ( $\beta = 0.41$ ;  $t = 3.58$ ) and organizational culture ( $\beta = 0.80$ ;  $t = 8.17$ ) in Maroun Oil and Gas Exploitation Company's offices. Organizational culture on organizational agility also directly affect ( $\beta = 0.64$ ;  $t = 6.67$ ). Additional results from the study also confirmed the hypothesis mediation effect of organizational culture and organizational agility is associated with knowledge management processes ( $\beta: 0.64 * 0.80 = 0.512 > \beta: 0.41$ ). Therefore, the null hypothesis is rejected and all assumptions are confirmed by research.

**DISCUSSION AND CONCLUSION**

Hypothesis 1: The findings of the study indicate that the first hypothesis is confirmed. The results of this study partially confirm previous research that has been done in this area [10-14]. Executive suggestions for expanding the impact of knowledge management processes on organizational agility: Because a significant proportion of the assets of any organization are intangible assets that successful implementation of knowledge management can maintain and enhance the intellectual capital and improve organizational performance.

- The use of job rotation, teamwork, create a community of practice, organizing committee proposes to take advantage of the experiences of the most important activities in the field of the tacit knowledge of the organization.

- Based on common values in the area of knowledge sharing and enhancement;
- The organization of courses and seminars and briefings prepared for knowledge management;
- The annual plan and long-term knowledge management programs;

Hypothesis 2: Knowledge management processes on organizational culture affects Maroun Oil and Gas Exploitation Company offices. The results show that the second hypothesis is confirmed. Accordingly, we can conclude that no matter how strong organizational culture, knowledge management is coupled with much success.

The results partly confirmed previous research that has been conducted in this area. Executive suggestions for expanding the impact of organizational culture on knowledge management processes:

- Build trust by facilitating social interaction, long-term strategy that requires managers who understand human behavior and organizational culture are transformed. So that working environment is full of trust and honesty. An environment in which people feel they can freely share their knowledge with others and learn from failures.

- Learning atmosphere, supportive culture, competitive atmosphere, while including features is a favorable environment for the implementation of knowledge management.

- The role of managers and organizational leaders is important to motivate people by promoting the benefits of knowledge management and knowledge sharing can eliminate cultural barriers in this respect.

3 sub-hypothesis: organizational culture on organizational agility in offices Maroun Oil and Gas Exploitation Company has an impact. The third hypothesis is confirmed by the findings of the study.

Results are partly confirming previous research that has been conducted in this area. For example, Rahimnia and Alizadeh [13] stated that knowledge of the organizational culture is an important fundamental step. So to do any new measures in regard to the culture of the organization is essential. Nasiripour *et al* [15] on the impact of Denison organizational culture model performance and maximum adaptability to the conclusion that after adjustment least impact on organizational performance. Monavaryan and Bakhtae [16] in their study concluded that aspects of the Denison organizational culture, involvement and adaptability best management in the industry. Further improve employee performance and organizational culture of the organization. Ghorbani *et al* [18] in their study acknowledge that there is a significant positive relationship between organizational culture and effectiveness. Nasiripour and colleagues [15] suggest that there is a significant relationship between organizational culture and productivity. The results gained from research Tydor *et al.*, [17] also contain the concept that organizational culture has a significant relationship with organizational performance.

Suggestions for expanding the impact of organizational culture on organizational agility:

- Recognition of directors of the concept of corporate culture, and the importance of its role in the behavior and performance of the organization. As the scientists say that the most important task organization top managers manage, create, develop and nurture cultural values is desirable;
- Managers pay more attention to the development of values, organizational culture change programs, recovery, and reconstruction agencies. While most scientists manage, improve and restructure the organization as a planned change, the transformation and development of organizational culture to understand;
- Improve the insight and depth of healthy attitudes and fertilize the power to detect and analyze them;
- The status and role of organizational culture in the structure and regulation, systems, procedures, plans and instructions;

The main hypotheses: knowledge management processes mediating role of organizational culture on organizational agility and co-operation in oil and gas departments Maroon impact. The main hypothesis is confirmed by the findings of the study. The results partly confirmed previous research that has been conducted in this area. For example, research Chung and Lee [19], which examines the impact of organizational culture and knowledge management mechanisms focused on organizational innovation; Proposals for the development of knowledge management processes impact on organizational agility Mediating Role of Organizational Culture:

- Designed competency framework for staff and managers, including knowledge, skills, and their ability and competency-based development planning;
- Efforts to create a supportive culture through incentive systems designed for promotion of creativity and innovation, learning and human resource Development Company;
- The development of cooperative behavior as well as knowledge sharing behavior, in order to establish a constructive relationship and exchange of information among employees.

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