KNOWLEDGE MANAGEMENT, ENTREPRENEURSHIP, MARKETING STRATEGIES, AND CAPABILITY IN INNOVATION AFFECTING THE OPERATION OF THE ORGANIZATION

[1]KITTAWAT BOONTHAWEE, [2]PIYAKANIT CHOTIVANICH, [3]EKASIT ONSA-ARD

Ubon Ratchatani Rajabhat University, Thailand
E-mail: [1]thingkin@hotmail.com, [2]piyakanit2000@yahoo.co.th, [3]ekasit.o@ubu.ac.th

Abstract- The article aimed to synthesize the academic works on knowledge management, entrepreneurship, marketing strategies, and capability in innovation which could affect the operation of the organization. Academic articles, research works, electronic database and academic articles were selected for the study. A study was also concerned with the causal influences on the operation of the organization.

Index Terms- Knowledge Management, Entrepreneurship, Marketing Strategies, Capability in Innovation.

I. INTRODUCTION

An effective operation of the organization could affect the capability in competition. Hence, entrepreneurship was a vital tool to enhance an efficiency for the organization (Wickham, 2006, p 9). Business administrators are to be innovative to create desired results (Muhammad & Rosli, 2014, p. 109). in addition, knowledge management had to comply with the human resources, which include skills, knowledge, experience, expertise and intellectual ability to increase innovation for the organization (Dana, Elin & Wahyu, 2015, p. 234). As consumers' demands have rapidly changed, capability in innovation becomes more important to the organization (Tushman & Nadler, 1986, p. 74-92). The capability in question can facilitate in learning information from various sources which can affect the efficiency of the organization (Chien-Huang, et al, 2008). Capability in innovation can be a contributing factor to the success of the operation (Gomez et al, 2011, p. 76). The resources are categorized into six types: humans, physical sources, marketing, organizations, technology and finance (Shapiro, 1999, p. 295-314; Mosokowski, 1998, p. 1169-1182; Fellows & Langford, 1993; Mata, 1995, p. 487-505).

The data on related studies on knowledge management, entrepreneurship, marketing strategies, capability in innovation were synthesized. The results gained can help clarity the factors which affect the operation of the organization.

II. METHODOLOGY

The present work is the documentary one. The study is conducted based on academic documents, texts, electronic media as well as research works. It aimed to be used to create the fundamental process of an integrated knowledge concerning knowledge management, entrepreneurship, marketing strategies, and capability in innovation. The work can also be used as the guideline to produce an efficient instrument to gather academic data.

III. FINDINGS

Knowledge management is the process to achieve the goals of the organization (Dana, Elin & Wahyu, 2015, p. 234). The steps are taken according to the stated needs. Emphasis is on depth and clarity, interpersonal exchanges, communities and organizations. Knowledge can be passed on in a practical and tangible manner (Nonaka & Konno, 1998, p. 40). Marquardt (1996, p. 21) divided the components of knowledge management into four types: search, creation, management and research, transmission and application. Freeze & Kulkarni (2007, p. 94) classified it into four: search and creation, storage, sharing, application. Based on the literary reviews, the effective learning was acquired. The instruments to manage knowledge are composed of four components: search, creation, storage and sharing (Uma Mageswari, Chitra and Srikantha Dath, 2015, p. 13-26; Mohamad, et al., 2013, p. 205-216; Soleyman & Khadijeh, 2013, p. 55-59; Kalsom and Fathiah, 2018). Jolanta & Piotr (2016, p.104–137) studied SMEs of the industries of production and services in Poland. They had found that knowledge management affected the process innovation. The marketing innovation which had become a culture affected the financial aspects.

Mohamad, et al. (2013, p. 205) studied SMEs in Iran; Bashir, Noor & Aliyu (2014, p. 92) conducted a study on the cell phone service in Nigeria; Ali, Danaee & Hossein (2015, p. 102) explored the public organizations in Iran and Matin & Sabagh (2015, p. 240) studied the export companies in Iran. All works above were concerned with the knowledge

management which affected the innovative capability. Based on the works referred to, the proposition can summarized as follows.

P1: Knowledge management had a positive influence on the innovative capability.

Mohamad & Abu (2012, p. 132) studied the construction contract company; Calantone, Cavusgil & Zhao (2002, p. 515) focused on the industrial groups in the US; Matin & Sabagh (2015, p. 240)investigated the export companies in Iran. All studies above found that knowledge management positively influenced the organizational operation.

P2: Knowledge management had a positive influence on the operation.

Entrepreneurship led to the organizational growth in terms of innovation (Drucker, 1985, p. 72). Developing the process requires knowledge, skills and various abilities and basic knowledge is needed for the organizational administration (Birch, 1997, p. 27; Wagner, 2003, p. 627-643). As regards the theory of entrepreneurship, Covin & Slevin (1991) proposed two components, risks and progressive operation. Lumpkin & Dess (1996, p. 135-172) advanced five components: capability in innovation, progressive operation, risks, independence and competitive aggressiveness. It can be said that the entrepreneurs have to have an ability in diverse areas. Three components are necessary for the enterpreneurs: risks, progressive operation, and competitive aggressiveness (Mehrdad, et al., 2011, p. 310-316; Gupta & Pandit, 2012, p. 132-140; Felgurira & Rodrigues, 2012, p. 703-705; Hasan, Syyedhamzeh & Ali, 2013, p. 262-278; Van & Malan, 2013, p. 20-37)**.**

The studies by Mehrdad, et al. (2011, p. 310) Preda, Ndubisi & Agarwal (2013, p. 622) and Rhee, Park & Lee (2010, p. 65) found that entrepreneurship had a positive influence on the innovative capability, which made people concerned able to work more efficiently. Hence it can be said:

P3: entrepreneurship had a positive influence on the innovative capability.

The research conducted by Awang, et al. (2009, p. 84) Li, Huang & Tsai (2009, p. 440) Muhammad & Rosli (2014, p. 109) and John (2017, p. 1) found that entrepreneurship had a positive influence on the organizational operation. Hence it can be said that :

P4: entrepreneurship had a positive influence on the operation.

Marketing strategies determine the direction of business, operation, and attempts to invest in the markets (Doyle, 2000, p. 18). Scholars had explained the marketing grouping as follows: products, price, sales promotion, product distribution (Armstrong & Kotler, 2009, p. 2; Thomas & David, 2010, p. 199; Kotler and Keller, 2016, p. 47-51). The literary review showed that there were four components of the marketing strategies: added values for the products, prices, channels for the products distribution and marketing promotion (Afrina, Sadia, & Kaniz, 2015, p. 69; Nagasimha, 2015, p. 1; Bianka, Asif and Raj, 2015, p. 28-37; Nashwan Mohammed, 2015, p. 7-15).
The research works undertaken by Somnath & Gaisya (2007, p. 1) Stobbelaar, et al. (2007, p. 349) Rowley & Marco (2006, p. 253) found that the marketing strategies had influenced the innovative capability. Hence it can be said that :

P5: Marketing strategies had a positive influence on the innovative capability.

The studies by Nashwan Mohammed (2017, p. 13) on the relations of the marketing factors, Bianka, Asif and Raj (2015, p. 35-36) on the marketing mixer and Nashwan Mohammed and Wang (2016, p. 16) on the marketing strategies as the key components for the organizational success showed that the strategies played a vital role in meeting the marketing needs. Hence it can be said that :

P6 : Marketing strategies had positively influence the operation.

Innovative capability is essential to creating new knowledge. Innovation can bring about a competitive advantage (Tushman & Nadler, 1986, p. 74-92). Innovative capability is a key task in creating products and potential to increase the organizational stability (Drucker & Maciariello, 2004, p. 74).

Concerning the theory of innovation, Lumpkin & Dess (1996, p. 135-172) proposed two components: capability in product innovation, and capability in a process innovation. Avlonitis, (1994, p. 5-28) put forward the following ideas: capability in products, process, behavior and strategies. Thus, the instruments for the innovative capacity could be divided into three components: products, process and marketing (Najib, Kiminami & Yagi , 2011, p. 57-67; Ferraresi, et al., 2012, p. 688-701; Serna, Guzman & Castro, 2013, p. 125-137; Leekpai & Jaroenwisan, 2013, p. 12-15).

The works by Mohammad, Yashar & Abbas (2015, p. 50) Gunday, Ulusoya & Kilica (2011, p. 662) and Hernandez-Espallardo & Delgado Ballester (2009, p.

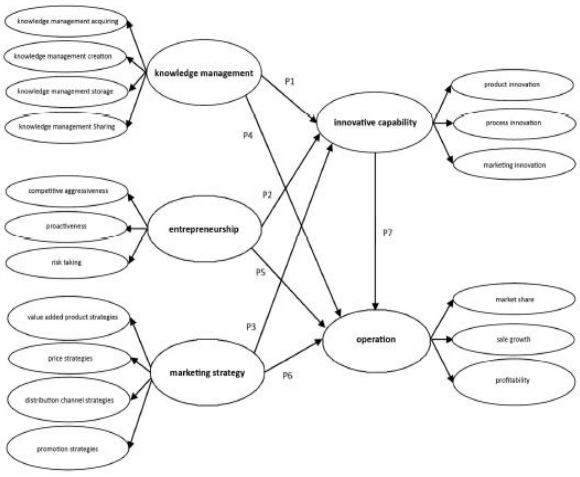
470) studied the innovative capability which could positively influence the operation of the business organization. Thus, it can be said that :

P7: Innovative capability had a positive influence on the operation.

The results of the operation of the organization According to Murphy, Trailer & Hill, (1996, p. 15), if priority is given to the strategies, success or failure can be measured from the operational plan (Dess & Robinson, 1984, p. 265). The measurement depended on the business size or potential of business under the competitive situations. It also depended on the strategies: growth, profits and survival (Murphy, et al. 1996, p. 15). Slater and Narver (1995, p. 63-74; 1994, p. 46-55) proposed four components: long-term outcomes including customers-orientation, competitor-orientation, coordination, ability to make profits, long term growth, economic prosperity, sales rise, and success in new products.

Stam and Elfring (2008, p. 97) were interested in the success of entrepreneurs in running business as the highest aims of the organization. The success included marketing shares, number of customers, and advantages of the organization. Vega Vazquez, et al. (2012, p. 1445) studied the industrial business groups in Spain, marketing guidelines and found that the product innovation had a positive influence on the operation of the marketing shares, sale growth, and profit ability. Hakala (2013, p. 102) explored the entrepreneurship with learning behaviors which could influence the implementation in terms of sale growth, and capability in making profits.

IV. CONCEPTUAL FRAMEWORK



CONCLUSION

Based on related theories and research works, it was found that there were four components which affected the organizational operation. They were: knowledge management, entrepreneurship, marketing strategies, and innovation capability. In addition, it can be concluded as follows: 1) knowledge management had a positive influence on innovative capability, 2) knowledge management had a positive influence on the operation, 3) entrepreneurship had a positive influence on the innovative capability, 4) entrepreneurship had a positive influence on the operation, 5) marketing strategies had a positive influence on the innovative capability, 6) marketing strategies had a positive influence on the operation and 7) innovative capability had a positive influence on the operation.

The findings show that the instrument which is accurate and valid in terms of content should be developed so that administrators and entrepreneurs can use it in the organizational operation.

REFERENCES

[1] Awang, A., Khalid, S.A., Yusof, A.A., Kassim, K.M., Ismail, M., Zain, R.S. and Madar, A.R.S. Entrepreneurial orientation and performance relations of Malaysian Bumiputera SMEs: The impact of some perceived environmental factors. International Journal of Business and Management. 4, 9 (2009): 84-96.

[2] Calantone, R.J., Cavusgil, S.T. and Zhao, Y. Learning orientation, firm innovation, and firm performance. Industrial Marketing Management. 31, 6 (2002): 515-524.

[3] Claudlo, H.S, Marcelo, G.P. and Sandro, N.F. Market orientation and Learning orientation directed to innovation and organization. International Journal of Sustainable Business. (2010): 2-10.

[4] Gunday, G. Ulusoya, G. and Kilica, K. Effects of innovation type on firm performance. International Journal of Production Economics. 133, 2 (2011): 662-676.

[5] Hamzaoui, E.L. and Mehdi, Z. Decision making process of community organic food consumers an exploratory study. Journal of Consumer Marketing. 25, (2008): 95- 104.

[6] Matin, E.K. and Sabagh, P. Effects of Knowledge Management Capabilities on Organizational Performance in Iranian Export Companies. Mediterranean Journal of Social Sciences. 6, 2 (March 2015): 240-250

[7] Muhammad, S.B. and Rosli, M. Linking Transformational Leadership and Corporate Entrepreneurship to Performance in the Public Higher Education Institutions in Malaysia. Advances in Management and Applied Economics. 4, 3 (2014): 109-122

[8] Rowley, J. and Marco. Spiezia organic: An SME Marketing Case Study. The Marketing review. 6, (2006): 253-236.

[9] Somnath, C. and Baisya, K.R. Purchase motivation and Attitude of Organic food buyers. International journal of consumer Studies Oxford. 34, 2007: 1-22.

[10] Stobbelaar, D.J., Gerda, C., Borghuis, J., Inge, M., Meijer, L. and Simone, Z. Adolescents' attitudes towards organic food: a survey of 15- to 16-year old school children. International Journal of consumer Studies Oxford, 31, (2007): 349.

★★★