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THE EFFECTS OF ORGANIZATIONAL CULTURE AND KNOWLEDGE MANAGEMENT ON EMPLOYEE'S AGILITY IN SADERAT BANK OF SISTAN AND BALUCHESTAN

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Abstract: Organizational agility is known as a powerful means of competitive that capable of responding is to in the uncertainty environment and high changes. Since the employees and their knowledge and skills is the main capital of any organization, it can be expected that the creation of an agile organization's knowledge employees play the most important role. The effects of organizational culture and knowledge management on employee's agility in Saderat bank of Sistan and Baluchestan. The statistical population of the research is staff of the Saderat Bank of Sistan and Baluchestan and the sample size is determined by Morgan table. This study is descriptive and correlational and the purpose of application. In this study, most of the data have been collected through questionnaires. To determine the validity of the tests used Cronbach that alpha obtained for variables of organizational culture, knowledge management and organizational agility is respectively 0.726, 0.816 and 0.768 and reliability of the questionnaire were confirmed. In this study, to analyze data from samples of inferential statistics were used. Statistical methods used in this study, is including correlation, regression and SPSS software was used for this purpose. The results of the hypothesis test showed that the organizational culture has a positive effect on knowledge management and organizational agility and Knowledge management is the impact on organizational agility.

Keywords: Organizational culture, knowledge management, organizational agility, Saderat Bank.

INTRODUCTION

Agility research literature offers great enablers for improving organizational agility. In these studies, organizational variables as enabler variables for agility and their impact on the agility and their relation are studied. Many researchers have studied knowledge management (KM) as one of the foundations of agility. The emphasis on KM, given the importance of expertise and promotion of human capital within organizations, is well justifiable. It is clear that identification of the most important elements of knowledge management to enhance organizational agility can be considered a very valuable step for agile manufacturing and non-manufacturing organizations. Thus, it seems that identification of the dimensions and measures of knowledge management in agile organizations on one hand and investigating their relationship with measures of agility on the other hand is an undeniable necessity in the field of agility research.

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To increase their ability in improving goods and services and thus benefiting customers and consumers, organizations need knowledge. Improved goods and services should be accompanied by changes in systems, structures and methods of problem solving. Nounaka and Tackishi (1995) claim that knowledge management as the organization's ability to create, store, and distribute knowledge for competitive advantage in the areas of quality, speed, innovation and price, is vital. Although knowledge is not easily measurable, organizations need to manage knowledge effectively in order to benefit from the skills, experience and tacit knowledge of employees in the system and structure. However, one of the most important challenges identified is the ability to understand knowledge management and its objectives that there is no consensus on the concept of knowledge management. Analysis of the suggested definitions shows that many of them are similar in one case - knowledge management will lead to improved organizational performance. Critical factors for successful knowledge management are numerous, some of which are controlled and some are out of control. Organizational culture is the source of sustainable competitive advantage (Barney, 1991). In today's super competitive world, companies are using their resources to provide services and thus giving value to their products that will lead to a competitive advantage (Matthyssens, 2011). The culture that values both external focus (such as improving the competitive position) and internal focus (such as maintaining social-technical systems) may maximize the efficient use of innovation (Harvey et. al., 2011).

Previous studies confirm the positive relationship between knowledge management and organizational agility. So that Dove sees knowledge management one of the two main components of agility (Dove, 1999) also Bowman (2002) believes that by providing knowledge and information exchange between people in the organization (external) and also the dissemination of knowledge, corporate portals provide the ground to access to the internal agility. Experimental study of the simultaneous role of knowledge management and organizational culture in improving organizational agility is not considered enough by the researchers. In this regard, according to the definitions and dimensions of organizational agility, knowledge management and corporate culture, the researcher has tried to study the relationship between the organizational culture and organizational agility besides the mediator role of knowledge management at Saderat Bank of Sistan and Baluchestan.

RESEARCH LITERATURE

Knowledge management

Maei Hotte (1997) believed that knowledge management and wisdom include the activities and organizational processes searching a combination of the capacity

of organization processing regarding the data and information with organization capability in creativity and innovation of employees.

According to Frappaolo (2000) knowledge management deals with using and developing knowledge capital of an institution and the goals of the institution. Armstrong (1999) says: Knowledge management is using information to achieve the realities of business and the art of creating value by intangible assets to achieve goal, in other words, knowledge management is the strategy of creating knowledge on time by people at real time and it helps the people to share the information and improves the organizational performance.

According to Chmieleka (2004), knowledge management features include the items shown in Figure 1:

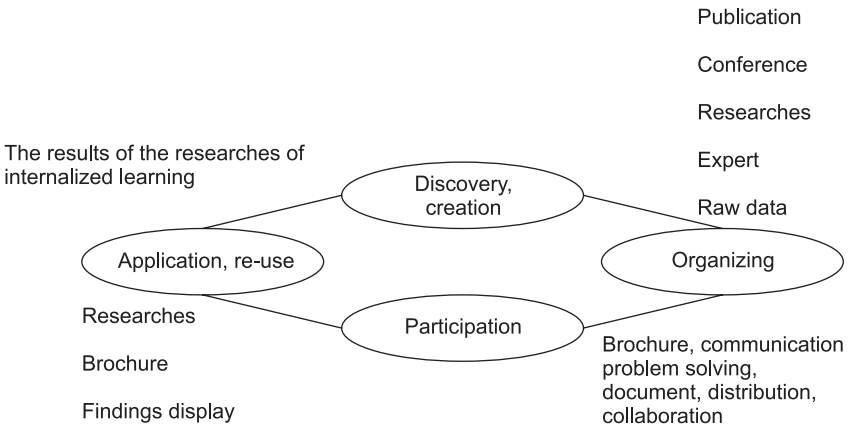

Figure 1: Knowledge cycle of Chmieleka (2004)

Organizational Culture

Louis defines organizational culture as set of shared perceptions and understandings to organize the actions that language and other formats of symbols are used to express a common understanding. (Iran Zadeh, 1998).

Stanley Davies defined Organizational culture as: Organizational culture is a model of shared values and beliefs that give meaning to the members of an institution and provides instructions for their behaviors in the organization.

Peters and Waterman define culture as a set of shared dominant values that have a logical connection that are exchanged with symbolic objects such as stories, legends, anecdotes and aphorisms (Aghel, 2004: 166).

Denison considers organizational culture as an application to determine the common values, beliefs, assumptions, and practices that shape the attitudes and behavior of members of the organization and then guides them. (Denison, 2006)

Organizational Agility

Because agile institutions and organizations are worried about the change, distrust and inability to predict in their business environment, the institutions need some different advantages such as entrepreneurship, creativity ideology in order to handle changes, distrust and inability to predict in their working environment (Shahaivar, Jabzadeh, 2005). Such abilities include four main components being considered as the background of maintenance and development of agility. (1) a respondent who implies the ability to recognize changes and rapid reaction on exploitation, (2) advantages which is based on reaching to goals and organizational targets. (3) Flexibility and adjustability which is defined as: ability to flow different processes and obtaining different targets using similar equipment. (4) Speed, which is the ability to carry out activities in the least time possible (Tronglin et. al., (2005).

There are so many models presented for organizational agility so far, but in 2010, two authors of agility theory (Verly and Lavler) presented a recognition framework. According to their model, the first feature of agility plan is "static strategy" which is defined as the ability to create provoker in changing environment situations. The second feature is "adjusted plans", agile organizations have plans which can be adjusted to strategic programs rapidly in respond to internal and external pressure for change and displacement. The third feature of agile organization design is leading and shared identity. This feature changes organization thought from leading as a personal feature, to exploitation as an organizational capacity. Finally the last feature is "value creation capacity". This feature follows organization for what it seeks or wants (Verly and Lavler, 2010; Cheno et. al., 2005).

Research Hypotheses

Hypothesis 1: Organizational culture and knowledge management have an impact of on organizational agility.

Hypothesis 2: Organizational culture has a significant impact on knowledge management.

Hypothesis 3: Organizational culture has a significant impact on organizational agility.

Hypothesis 4: Knowledge management has a significant impact on organizational agility.

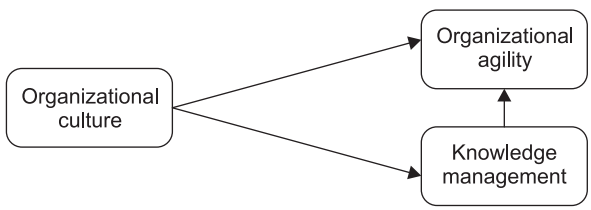

Figure 2: Research Model

RESEARCH METHODOLOGY

The present research is functional in terms of purpose and survey-descriptive in terms of data collection method. In this research we used library study and articles and university journals to collect the theoretical foundation and review of the literature and also in order to collect statistic data, and in order to examine research hypotheses we used survey method and probation in statistical population. In this research we first provided a questionnaire of Organizational culture, knowledge management and organizational agility to collect information, interviewing experts and then we analyzed data with SPSS software. The reliability of questionnaires was obtained with higher than 0.7% Cronbach alpha which shows its acceptability (Cronbach alpha test was 0.72 for Organizational culture questionnaire, 0.81 for knowledge management and was 0.76 for organizational agility). The statistical population of this research includes all staff of Saderat Bank of Sistan and Baluchestan equal to 200 personnel. In order to determine the sample volume we selected 131 people using Morgan table. Questionnaires distributed randomly because everyone has the chance to be selected. We used descriptive statistics in order to analyze data and we use Pearson correlation coefficient as interfering statistics, linear regression test.

Research Findings

Hypothesis 1: Organizational culture and knowledge management have an impact of on organizational agility.

H_0: Organizational culture and knowledge management haven't an impact of on organizational agility.

H_1: Organizational culture and knowledge management haven't an impact of on organizational agility.

TABLE 1: SHOWS THE VARIABLES INCLUDED IN THE REGRESSION MODEL

Model	*Entered Variable*	*Deleted Variable*	*Method*
1	Organizational culture	–	Enter

Dependent variable: Organizational agility

TABLE 2: REVIEW OF THE MODEL

Model	*R*	R^2	R^2_{adj}
1	0.842	0.709	0.707

To evaluate the extent of impact as fit, regression model is analyzed, which is dealt with in the following part. Therefore, to study the relationship between the organizational culture and knowledge management (Y) and organizational agility (X) the model is suggested, and after reviewing the adequacy parameters of the model given in the tables below, offering of the processed model is dealt with.

The table above shows the organizational culture expresses 70.9% of the changes of organizational agility. The path of coefficient of changing organizational culture to organizational agility is 0.842. This amount is the Pearson's correlation between the two variables. The next step is to calculate the impact of knowledge management on agility.

TABLE 3: VARIABLES INCLUDED IN THE REGRESSION MODEL

Model	*Entered Variable*	*Deleted Variable*	*Method*
1	Knowledge management	–	Enter

The dependent variable: Organizational agility

TABLE 4: REVIEW OF THE MODEL

Model	*R*	R^2	R^2_{adj}
1	0.736	0.542	0.536

The table above shows that knowledge management explains 54.2 percent of the changes of organizational agility. The correlation coefficient calculated between two variables is 0.736. Therefore, the indirect impact of knowledge management on enterprise agility through organizational culture is equal to the product of 0.842 and 0.736, which is equal to 0.619.

Hypothesis 2: Organizational culture has a significant impact on knowledge management.

H_0: Organizational culture hasn't a significant impact on knowledge management.

H_1: Organizational culture has a significant impact on knowledge management.

TABLE 5: SHOWS THE VARIABLES INCLUDED IN THE REGRESSION MODEL

Model	*Entered Variable*	*Deleted Variable*	*Method*
1	Organizational culture	–	Enter

Dependent variable: Knowledge management

TABLE 6: REVIEW OF THE MODEL

Model	*R*	R^2	R^2_{adj}
1	0.918	0.843	0.842

To evaluate the extent of impact as fit, regression model is analyzed, which is dealt with in the following part. Therefore, to study the relationship between the organizational culture (Y) and knowledge management (X) the model is suggested, and after reviewing the adequacy parameters of the model given in the tables below, offering of the processed model is dealt with.

The table above shows the organizational culture expresses 84% of the changes of knowledge management. Regression coefficients obtained are also shown in the table below.

TABLE 7: CALCULATING THE KNOWLEDGE MANAGEMENT REGRESSION EQUATION

	Model	*Non-standard rate*		*Standard rate*	*T*	*Sig*
		B	*Std. Error*	*Beta*		
1	Constant value	0.203	0.145	0.918	1.39	0.000
	Organizational culture	0.936	0.037		25.47	

Dependent variable: Knowledge Management

The result of testing shows the extent of impact of organizational culture on knowledge management. Organizational culture path coefficient to knowledge management is 0.918. This amount is the correlation between the two variables. Variable inserted into the regression is the core regression analysis given in the above table. Regression equation can be calculated using the following non-standardized coefficients column:

KM = 0.203 + Organizational culture (0.936)

It can be said that by enhancing one unit of each independent variable, dependent variable will improve as the written coefficient. In other words, by promoting one unit of organizational culture, 0.936 units of standard deviation of knowledge management will improve, as a result they have a positive relationship. T test for regression coefficients for independent variables are shown in the table. This value for this variable is equal to 0.000, thus effective on knowledge management.

Hypothesis 3: Organizational culture has a significant impact on organizational agility.

H_0: Organizational culture hasn't a significant impact on organizational agility.

H_1: Organizational culture has a significant impact on organizational agility.

TABLE 8: SHOWS THE VARIABLES INCLUDED IN THE REGRESSION MODEL

Model	*Entered Variable*	*Deleted Variable*	*Method*
1	Organizational culture	–	Enter

Dependent variable: Organizational agility

TABLE 9: REVIEW OF THE MODEL

Model	*R*	R^2	R^2_{adj}
1	0.842	0.709	0.707

To evaluate the extent of impact as fit, regression model is analyzed, which is dealt with in the following part. Therefore, to study the relationship between the organizational culture (Y) and organizational agility (X) the model is suggested, and after reviewing the adequacy parameters of the model given in the tables below, offering of the processed model is dealt with.

The table above shows the organizational culture expresses 71% of the changes of organizational agility. Regression coefficients obtained are also shown in the table below.

TABLE 10: CALCULATING THE ORGANIZATIONAL AGILITY REGRESSION EQUATION

	Model	*Non-standard rate*		*Standard rate*	*T*	*Sig*
		B	*Std. Error*	*Beta*		
1	Constant value	–0.589	0.252	0.842	-2.33	0.000
	Organizational culture	1.09	0.064		17.17	

Dependent variable: Organizational agility

The result of testing shows the extent of impact of organizational culture on organizational agility. Organizational culture path coefficient to organizational agility is 0.842. This amount is the correlation between the two variables. Variable inserted into the regression is the core regression analysis given in the above table. Regression equation can be calculated using the following non-standardized coefficients column:

Organizational agility = –0.589 + Organizational culture (1.09)

It can be said that by enhancing one unit of each independent variable, dependent variable will improve as the written coefficient. In other words, by promoting one unit of organizational culture, 1.09 units of standard deviation of organizational agility will improve, as a result they have a positive relationship. T test for regression coefficients for independent variables are shown in the table. This value for this variable is equal to 0.000, thus effective on organizational agility.

Hypothesis 4: Knowledge management has a significant impact on organizational agility.

H_0: Knowledge management hasn't a significant impact on organizational agility.

H_1: Knowledge management has a significant impact on organizational agility.

TABLE 11: SHOWS THE VARIABLES INCLUDED IN THE REGRESSION MODEL

Model	*Entered Variable*	*Deleted Variable*	*Method*
1	Knowledge management	–	Enter

Dependent variable: Organizational agility

TABLE 12: REVIEW OF THE MODEL

Model	*R*	R^2	R^2_{adj}
1	0.736	0.542	0.536

To evaluate the extent of impact as fit, regression model is analyzed, which is dealt with in the following part. Therefore, to study the relationship between the Knowledge management (Y) and organizational agility (X) the model is suggested, and after reviewing the adequacy parameters of the model given in the tables below, offering of the processed model is dealt with.

The table above shows the organizational culture expresses 54.2% of the changes of organizational agility. Regression coefficients obtained are also shown in the table below.

TABLE 13: CALCULATING THE ORGANIZATIONAL AGILITY REGRESSION EQUATION

	Model	*Non-standard rate*		*Standard rate*	*T*	*Sig*
		B	*Std. Error*	*Beta*		
1	Constant value	0.072	0.307	0.736	0.236	0.000
	Knowledge management	0.941	0.079		11.97	

Dependent variable: Organizational agility

The result of testing shows the extent of impact of Knowledge management on organizational agility. Knowledge management path coefficient to organizational agility is 0.736. This amount is the correlation between the two variables. Variable inserted into the regression is the core regression analysis given in the above table. Regression equation can be calculated using the following non-standardized coefficients column:

Organizational agility = 0.072 + Knowledge management (0.941)

It can be said that by enhancing one unit of each independent variable, dependent variable will improve as the written coefficient. In other words, by promoting one unit of Knowledge management, 0.942 units of standard deviation of organizational agility will improve, as a result they have a positive relationship. T test for regression coefficients for independent variables are shown in the table. This value for this variable is equal to 0.000, thus effective on organizational agility.

CONCLUSIONS AND RECOMMENDATIONS

Previous research suggests that the experimental study of the simultaneous role of organizational culture and knowledge management in improving organizational agility is considered less by the researchers. Therefore, this study, examined the relationship between these variables at Saderat Bank of Sistan and Baluchestan.

The findings of this study in line with the research by Dove (1999) and Yousef et. al., (1991) and unlike Jafarnejad and Zarei's research (2005) show that organizational culture has a significant impact on organizational agility. Results of regression analysis showed that adaptability has the greatest and involvement in the work has the least effect on agility.

Suggestion according to the first hypothesis: Therefore, with a better understanding of these relationships, organizations managers can identify cultural factors affecting the knowledge management and agility, and besides reducing the costs of creating, sharing and distribution of knowledge move rapidly more towards the creation of an agile organization.

In other words, to improve organizational culture and creating an agile organization, organizations need to define the fundamental values of the company, encourage the employees to recognize and get in line with these values.

Suggestion according to the second hypothesis: Denison and Mishra (1995) model could provide a road map to show which of the areas of corporate culture need investment to improve knowledge management. According to the results of the regression, adaptability has the greatest impact on the formation of knowledge management.

Contrary to Bauman's (2002) and Goldman et. al., (1995) beliefs, knowledge management has no significant impact on organizational agility in this study.

Previous studies have mainly test these relations separately. Statistically, the linear relationship of organizational culture and knowledge management creates the significance of the direct impact of the mediator variable on the dependent variable. Explaining this point is beyond the scope of this research. For more information, researchers can refer to the research by Zhao, Lynch and Chen (2009). However, due to selected models to measure organizational culture and knowledge management, this high alignment has not been unexpected. As in Denison and Mishra (1995) model, indicators such as organizational learning and group interaction have been measured and in model Nonakov and Tukachy (1995) have also been investigated.

Suggestion according to the third hypothesis: So according to Dennison's model, to create an agile organization university managers are recommended pay attention to factors such as the acceptance of the spirit of adaptability to change, customer orientation and learning. The study also showed that organizational culture has a significant impact on knowledge management. These results are in line with research by Zhang et. al., (2009), Young (1999) and Davenport Perosak (2000). The aim of this study was to examine the relationship between organizational culture, knowledge management and organization agility. Although the relationship between organizational culture, knowledge management and organizational agility was confirmed, high alignment between knowledge management and organizational

culture led to the significant impact of knowledge management on organizational agility. As mentioned, in creation of an agile organization, organizational culture can be considered as a facilitator. This culture hardly accepts changes, and avoids risk and prevents the creation of an agile organization (and vice versa).

Suggestion according to the fourth hypothesis: In addition, while employing people, they should pay attention to the necessity and importance of individual-organization fitness, and employ people who are more compatible with the fundamental values of the company in knowledge management, "Socializing". Also, considering the importance of programs such as brainstorming, sharing of experiences and participation in seminars and conferences are for managers recommended.

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