Research Article

The Analysis of the Relationship between Knowledge Management with Employees Performance and Service Quality in Selected Hospitals in Shiraz

Somayeh Tahani[1], Somayeh Hesam[2*] and Shaghayegh Vahdat[3]

[1]Master of Science, Department of Healthcare Management,
Marvdasht Branch, Islamic Azad University, Marvdasht, Iran.
[2]Assistant Professor, Department of Health Services Administration,
Shiraz Branch, Islamic Azad University, Shiraz, Iran.
[3]Assistant Professor, Department of Health Services Administration,
Marvdasht Branch, Islamic Azad University, Marvdasht, Iran.
[1]Email: Tnastaran7@gmail.com
[2]Email: somayehh59@yahoo.com (* Corresponing Author)
[3]Email: sh_vahdat@yahoo.com

ABSTRACT

This research was conducted in 2016 and aimed to analyze the relationship between knowledge management with employee performance and service quality in selected hospitals in Shiraz. The population included all managers and employees of selected hospitals in Shiraz which they were 170 people during the research. According to Cochran formula, the sample size was calculated 119 people which they were selected using random sampling method. The reliability of the questionnaire was confirmed by Cronbach's alpha coefficient. Structural equation modeling was used to test hypotheses and answer the research questions. In this study, two main hypotheses were considered.After statistical analysis, the results showed that all the research hypotheses have been confirmed and there is a significant relationship between knowledge management, employee performance and service quality.

Keywords: Knowledge Management, Employee Performance, Service Quality

1. INTRODUCTION:

Today, the health and medical services in any society is the underlying physical and psychological health and prerequisite for sustainable development. The health sector as an organization in need of skilled workers and knowledgeable is known as professional services organization [1].This section due to the health of society requires the use of efficient ways to improve the quality of service provision, low health care costs and meet the needs of clientsis possible only through the use of modern methods of information management and allocating appropriate time to knowledge management. Knowledge Management is a hidden assets and

structured approach which has procedures for identifying, evaluating, organizing, storing and applying knowledge to meet the needs and goals of the organization. This process involves the creation, capture, storage, dissemination, sharing and applying knowledge [2]. Knowledge management in hospitals isa continuous management which manages all types of knowledge in the hospital and creates a single standard for explicit and implicit knowledge and challenges management. Therefore, it is very important to find modified methods for problems with creating, evaluating, sharing, using and internalization of knowledge to improve the level

of hospital management.In hospital, determination of an effective and reliable evaluation system is a way to promote knowledge management of hospital in the future and is considered as factors affecting the performance management [3].

With the establishment and evaluation of knowledge management can help to improve the quality of performance of the organization since the recognition of organizational knowledge and applying the knowledge management is consideredas a competitive advantage for organizations, particularly of health agencies.Therefore, identifying and implementing knowledge is the most influential factor in the health and medical sector, and is a powerful tool in providing better services.The implementation of knowledge managementis a necessity for success of hospitals and health centers [4].On the other hand, it is one of the success factors of service organizations to achieve the goal of customer satisfaction by improving the quality of services provided to customers.The application of updated knowledge is a key factor in improving the quality of services provided.As a result, using functional policies and procedures in the organization can improve employee performance level in order to reach the desired level of quality.

Studies have shown that by increasing job satisfaction, creativity and productivity of the individual, we are witness withmore incentives, less absenteeism, more organizational commitment and more business profitability [5].In addition, low or lack of job satisfaction and organizational commitment reduced organization performance.Also, despite the passage of long time from the issue of service quality and methods of assessment and evaluation,not only the attention to this issue have not decreased,But also because of the growing importance of services in the economy, especially its role in modern economies, the literature of services it has become more important than ever. So this research aimed to study the literature of three main variables and analyze the relationship between knowledge management with employee performance and

service quality in selected hospitals in Shiraz and determine the impact of knowledge management on employee performance and service quality.

2. Research Literature

2.1. Knowledge Management

Knowledge management is the process of finding, selecting, organizing and presenting knowledgethat helps organizations to gain insight and understanding from their experience.It should be noted that knowledge management is an inexhaustible that always helps organizations to change and need support and constant attention.In the information age, knowledge is the most important factor for long-term success of an individual and an organization.In fact, Peter Senge believes that knowledge is the only source of competitive advantageand the organization's ability to learn is faster in the future. By increasing the knowledge value, it seems reasonable that with an effective management of knowledge can create an opportunity for competitive advantage [6].

2.2. The Definition of Knowledge Management

Knowledge management is a complex and wide concept. For this reason, experts are viewed from different aspects.

Counter: Knowledge management is an Organizational and systematic process for acquiring, organizing and transferring explicit and implicit knowledge of employees; with this purpose that others use their knowledge for the effectiveness and efficiency [7].

Gaucho: Knowledge management is an interdisciplinary business model with all aspects of knowledge such as:creation, encryption, sharing knowledge and examining how these activities promote learning and innovation [8].

Odell and Grayson:Knowledge management as a strategy should be developed in an organization to ensure that knowledge arrives to the right people at the right time and that people share that knowledge and use of information to improve organizational performance [9].

Afrazeh: Knowledge management is the process

of discovering, acquiring, developing and creating, sharing, storing, evaluating and applying the right knowledge at the right time by the right person in the organization which is donethrough linking between human resources, information and communications technology and providing an adequate infrastructure to achieve organizational goals [10].

Amin et al: Knowledge management is defined as follows:Process and Technology to attract a group in order to make optimal decisions at the right time [11].

Macintosh: Knowledge management is an available and required analysis of knowledgeand includes planning and control processes to develop knowledge assets to achieve organizational goals [12].

2.3. The organization benefits affected by knowledge management

Knowledge management in organizations is considered as the process by which an organization produces its own wealth of knowledge and intellectual capital and prevents the waste of national wealth by designing the appropriate patterns.Knowledge management systematic the internal resources and support company employees in order to identify and access external resources.This support must always be accompanied by a learning process.Such a trend in the short term enables staff to identifyindependently his Knowledge required and try to achieve it. Scientists believed thatOrganizations can achieve the following benefits in effective use of knowledge [13]:

- Services and Products
- Faster applications of comments and inventions
- Access to better industrial action with the new methodology
- Superiority over rivals in competition
- Reduce production costs
- Presence in new markets and communicate better
- Increased levels of organizational learning

- Strengthening the cultural level of the organization.

2.4. Employee Performance Management

Performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams, and aligns it with the organization's strategic goals;so requires continually goal setting, view performance, coaching and providing feedback to assignperformance of individuals in achieving organizational goals [14].

Most organizations have performance management system but it has no difference with performance evaluation because it is usually dramatic. An organization does performance evaluation which completed evaluation forms ever year and repeats it again next year. But it has no performance management system because it is not sustainable and don't have feedback.The actual experience of successful companies and organizations have shown that performance management has many positive results: first, people gain good understanding of managers and their subordinates and to establish better relations with each other; second, it is motivating employees and past successes will be the engine of future success; third, providing real and credible feedback enhance the dignity, self-esteem and self-confidence of people; Fourth, promotion and rewards are given based on justice and competence And meritocracy ruling system and the difference between the industrious and pastime are determined;Fifth, organizational goals and expectations of each job are determined and areas to improve performance and skills are provided in order to corporate objectives and customers satisfaction [15].

2.5. The definition of service quality

Service is a complex word. This word has a different meaning and it has a range of personal services to serve as a product. The word is also included a wider area.A car or almost every physical product, if the seller attempts to provide solutions to meet the customer needs, can be

considered as a customer service. Machine is a physical commodity, but the kind of behavior with the customer is considered as a service.Because of this complexity, a range of definitions in relation to the service were provided during the decade of 60 to 80 but was provided comprehensive definition [16]. Some definitions of service are provided as a follow:

• Service is an activity or benefit that one party offers to the other party which is essentially intangible and don't have the ownership of something, the result may be a physical product or immaterial [17].

• Service is the result that customers are demanding [18].

• Service is the production of essentially intangible benefits, or on its own as a single product or tangible products Or tangible products of an important element which meet the customer needs [19].

• Service is a process consists of series intangible activities which happen normally in the interaction between customers and employees or physical resources or goods or service providers systems in order to be a solution for customer problems [20].

3. Research Methodology

In terms of purpose, this is an "applied" research.

Due to the nature of the research, the method used in this research is "descriptive survey". In this research, information is collected by taking notes from books, magazines and information in the websites and the Internet. Data are collected using a researcher made questionnaire which its validity was confirmed by experts and its reliability was calculated by Cronbach's alpha. The results are shown in table1. Structural equation modeling (SEM) was used to analyze the data in this research.

Table 1: reliability of the questionnaire

Components	Cronbach's alpha
The entire of questionnaire	0.823

4. Data Analysis of Research data

4.1. Fitting Test of Conceptual Model

The purpose of fit assessment is to determine to what extent the modelis consistent and agreement with experimental data used.There are wide ranges of criteria and fitting indicators which can be used to measure the fit of the entire model.

In this part, a conceptual model of research in the form of diagramis drawn and its fitness is measured using various methods.A structural equation complete model actually represents a combination of path diagram and confirmatory factor analysis (CFA).
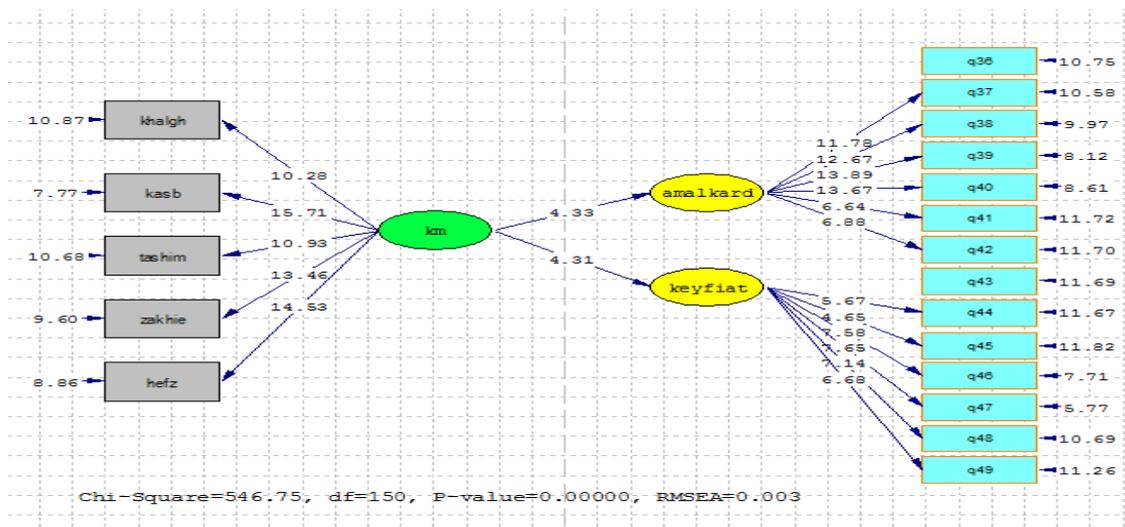

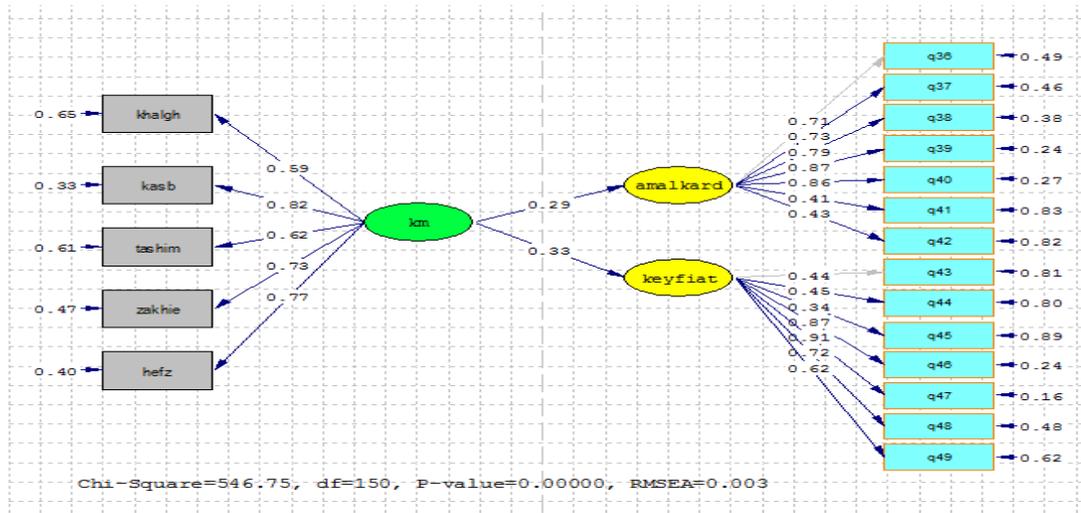**Figure 1:** Numbers of significant of structural research model

Figure 2: Standard Estimated coefficient of structural research model

According to Figure 1, it is clear that the effects of independent variables on the dependent variables are significant (due to significant amounts greater than 1.96). According to Figure 2,it is clear thatthe relationship between all components in the primary model was significant.Therefore, final research model is confirmed.

Table 2: Equivalent Output Results

path		(t-value)	Path coefficient (β)
From variable	to variable		
knowledge management	employee performance	4.33	0.29

According to above table, Significance level between the variables of knowledge management and employee performance is equal to 4.33 which is more than 1.96 and it shows that the relationship between knowledge management and employee performance is statistically significant in the confidence level (99%). The path coefficient between these two variables is equal to 0.29 which shows the impact of knowledge management on employee performance. Thus the first hypothesis is confirmed which indicates that knowledge management has a significant relationship with employee performance.

Second hypothesis: knowledge management has a significant relationship with service quality in the selected hospitals in Shiraz.

Equivalent output results of conceptual model is given below.

Table 3: Equivalent Output Results

path		(t-value)	Path coefficient (β)
From variable	to variable		
knowledge management	**Service Quality**	4.31	0.33

4.2. Examine Research Hypotheses

First hypothesis: knowledge management has a significant relationship with employee performance in the selected hospitals in Shiraz. Equivalent output results of conceptual model is given below.

According to above table, Significance level between the variables of knowledge management and service quality is equal to 4.31 which is more than 1.96 and it shows that the relationship between knowledge management and service quality is statistically significant in the confidence level (99%). The path coefficient between these two variables is equal to 0.33 which shows the impact of knowledge management on service

quality. Thus the second hypothesis is confirmed which indicates that knowledge management has a significant relationship with service quality.

5. Practical suggestion based on the research findings

• Suggestion based on the first hypothesis (knowledge management has a significant relationship with employee performance in the selected hospitals in Shiraz.):

Today, knowledge has become one of the organization's intangible assets.Organization can be more successful in the field of services which havebetter and more efficient use of knowledge.So based on the first hypothesis (knowledge management has a significant relationship with employee performance in the selected hospitals in Shiraz.) it is suggested that by creating powerful databases they collect, develop and expand their knowledge in their organizations.For this purpose,they can set up applied courses to make clear knowledge management and preserve knowledge for staff.The overall level of performance can be increased among staff with increasing employee awareness about knowledge.Improving employee performance has a critical role in improving the overall performance of the organization and thus it will bring more success for the organization.

• Suggestion based on the second hypothesis (knowledge management has a significant relationship with service quality in the selected hospitals in Shiraz.):

All organizations know the important role of quality of services provided in business customers' satisfaction. These days, increasing the quality level of services provided by the organization is most competition between provider organizations.Increasing the levels of service quality is increasing the client satisfaction and finally, organization success in achieving the goals. Soit is suggested to managers of the selected hospitals in Shiraz to provide the employee benefit context of knowledge managementwith the pervasive knowledge management in their organization.Training,

attention to client needs, increasing the access of patients to hospital service, consumer's access to the health care services and many other factors, which are effective in increasing the satisfaction of service quality, are dispersed knowledge which should be collected and categorizedby establishing knowledge bases.

6. Suggestions for future researchers

✓ Investigating the effect of knowledge management initiatives on service quality and clients satisfaction

✓ Analysis of the relationship between service quality and loyalty of clients in the private hospitals

✓ Investigating the effect service quality on employee performance and overall organizational performance

✓ Doing a similar research in other parts of the service.

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