TACIT KNOWLEDGE CREATION WITHIN AN ORGANIZATION

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ABSTRACT

Nowadays, the advance technologies allow people to store their knowledge and pass on to the next generation easier than before. The knowledge sharing is not for academic purpose only but also used within a business organization. One of the most applicable methods used is e-learning. In the knowledge management world, there are explicit knowledge and tacit knowledge, the tacit knowledge is something that one may know how to do but may not know how to explain in words. The e-learning helps sharing the tacit knowledge in visual and audio form, also a form of operation procedure and rules. The knowledge will be transformed into explicit knowledge in a form of text or presentation then absorbed by a receiver and transformed into new tacit knowledge when the receiver apply these new knowledge in their work operation and/or interpersonal communication with their colleagues. The study was conducted in KASIKORNBANK PCL. Using an interview method with 10 samples. The finding indicate that there are six factors affecting the knowledge creation in each mode, the six factors are management support, incentive, motivation, IT support, past experience and trust.

KEY WORDS: KNOWLEDGE MANAGEMENT / KNOWLEDGE SHARING / TACIT KNOWLEDGE / E-LEARNING

29 pages

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CHAPTER I
INTRODUCTION

- Knowledge has a beginning but no end -

Geeta S. Iyengar

The above sentence was said by one of the world's most famous yoga teacher. Despite no background in the field of knowledge study but the meaning of the sentence that was said is so true, and the truth will never die. Nowadays, all the knowledge that people learn in school is the great invention of the past. In the past, the limitation of media made it harder to prevent the knowledge from decay. Some of them are vanished with their creators, many of them has survived and developed overtime. Knowledge has been created and crystallized through generations. It was re-created again and again by sharing process from one person to another. The crystallization of knowledge is when a person receive a new knowledge, blend it with own experience through intuition and become a new knowledge. Communication is one of the best ways to share knowledge.

However, the effectiveness of communication depends on many factors. In the basic level or interpersonal level, it depends on factors such as sender, receiver, message and channel. The senders create a message from their thought and send it to the receiver through media. The receiver receive message and send feedback back to the sender. This is two ways communication method. If two persons have similar background or past experience, the communication will be more effective. However, in a larger group or an organization, it's more complicated due to many kinds of communication, information, receiver, environment. One message can be perceived differently among different people, medias. Some messages are harder to communicate.

In the context of organizational knowledge management, knowledge is message that we want to deliver throughout the company. There is a knowledge that is easy to share due to its clear content, we called it Explicit knowledge. It can be recorded and written in a book or other forms of media. There are many forms of

explicit knowledge in a company such as policies, corporate governance, operation procedure manual and document. People may absorb explicit knowledge and understand it suddenly. When people have more information, or knowledge in this case, they tend to make decision better, or even do business better. We think of knowledge as something that can be recorded in words, visualized and taught. However, this isn't always the case.

There is also a Tacit knowledge which is something that we know how to do but we don't know how to explain. It's knowledge that's difficult to write down, visualize or transfer from one person to another. The competency of employees is one form of tacit knowledge within a company which require years of experience and practice to collect this kind of knowledge. Would it be good if you can absorb skills and competency of your colleagues in a short period of time? If a company can store knowledge and competency of their employees within their firm, it will benefit the company in the long run.

Tacit knowledge is a particular challenge for Knowledge Management (KM) that companies would like to prevent knowledge loss due to employee turnover. It is essential to competitive advantage because it's difficult for competitor to copy. A small gap that creates big difference between two persons or two companies. The following are some examples of business critical knowledge that are difficult to write down, visualize and teach.

Language Accent – It's difficult to write down the rules of a language except a person used the language for long period of time, or became an expertise.

Innovation – Innovation is an illusive skill. Some individuals struggle with innovation for many decades with little success, while some innovate effortlessly in short period of time.

Leadership – One of the most complex social skill that is difficult to teach. There's no process or training that can be guaranteed to make one a leader. It must be earned from experience.

Aesthetic Sense – Aesthetic is the reason why art is appealing. It's difficult to explain the appeal of an artwork, and even more difficult to teach someone the sense of aesthetic.

Intuition – It is the ability to understand things without using logic.

Emotional Intelligence – It is the ability to read and use emotions to influence outcomes.

As mentioned above, tacit knowledge can contribute a great deal of competitive advantage such as making better product, working more quickly, but since it's hard to explain, visualize and teach, so how do we share these knowledge from one person to one another? The key process is to convert it into explicit knowledge. The simple way is to live in the expert's shoes and describe how the expert thinks, does, says and feels at each stage of the issue or task. In the past, it takes a person to join activity with an expert or someone with greater experience to absorb the tacit knowledge, the process takes period of time to be completed or satisfied. Nowadays, companies are able to turn expert's knowledge into something any managers or employees could use, use this to design a training program and an online simulation. The converted tacit knowledge will become explicit knowledge and ideally convert to a new tacit knowledge for new learner.

This purpose of this paper is to study on how an organization can convert tacit knowledge into explicit knowledge and pass on to its employees through corporate e-learning. First, we review the past studies about tacit knowledge, explicit knowledge and the conversion, then we study the effectiveness of e-learning as a mean to deliver internal knowledge within an organization. After we understand all the factors and framework, we move on to the research methodology and data analysis, and then we will on the result that we got from our case study. And finally, the recommendation for further study about the effectiveness of sharing tacit knowledge via e-learning within an organization.

CHAPTER II
LITERATURE REVIEW

This section focused on a brief definition and basic concept in the field of knowledge management

Knowledge Management (KM), it is the process of gathering, managing and sharing employees' knowledge asset throughout the organization. KM has now become a main priority for companies of all sizes in order to improve their competence in this era of high competition. The globalization made the huge changes in business and affected many organizations worldwide. The companies need to adapt their business structure and operation to survive. Nowadays, knowledge is not for individual anymore since we live in the world of globalization and technology where knowledge can be stored and passed on to people in the next generation. The creation and assimilation belong to the man but there are more efficiency ways of sharing.

KM is related to many fields of study such as business administration, information system, management and information sciences (Alavi & Leidner, 1999). It relates all the capital owned by people and staff of a company's know-how and expertise, competencies, market experiences etc. KM helps companies to turn this human capital into intellectual capital which will be kept within the company as an priceless asset. It is highly important to business because it helps improving competence of a company by empowering employees and providing effective intelligence. Employees are able to develop their knowledge and skill by utilizing knowledge database. Not only to learn but also to utilize knowledge for problem solving, strategic planning and decision making.

The most important thing is that the knowledge will stick with employees and organization forever because KM protects intellectual assets from decay. However, the KM's biggest challenge is to ensure the participation of employees to utilize the knowledge asset and re-use to achieve business results. KM requires huge investment, mindsets changing, organizational culture change, and effort to make it

effective. This can be achieved through a combination of motivation / recognition and rewards.

From the past study (Holzner and Marx, 1979), KM can be divided into four processes as follows:

1) Knowledge Creation

This part involves developing new content or replacing existing content. There are two kinds of knowledge which are 1) Tacit Knowledge and 2) Explicit Knowledge (Pentland, 1995). The creation of knowledge was categorized into four modes of knowledge creation (Nonaka, 1994):

Socialization : The socialization refers to the conversion of tacit knowledge into new tacit knowledge through social interaction and experience sharing among colleagues, especially when one member has greater experience in that activity. The organizational members will learn from each other through practice and observation (apprenticeship). This is more like a process between two individuals.

Externalization : The externalization refers to the conversion of tacit knowledge into new explicit knowledge. This could happens in two ways. One is when you analyze or study the working process of a specialist then take a note to convert it into new explicit knowledge. The second way is from interpersonal interaction, when two people communicate face-to-face, they share their belief and learn how to better connect their thinking. This is more like a process between two individuals within a group.

Internalization : The internalization refers to the conversion of explicit knowledge into new tacit knowledge. This happens when an organization provide employees with an operation procedure manual for them to read and refer to when they are working. It takes time for employees to completely understand the procedure and convert it into their tacit knowledge.

Combination : The combination refers to the creation of explicit knowledge through combining existing explicit knowledge together such as survey, report, research. This happens when we adjust, rewrite, categorize or summarize existing explicit knowledge to be usable to our situation or topic. Combination allows knowledge transfer across organization.

Each of the modes related to interaction and conversion between tacit knowledge and explicit knowledge. Each mode relies on, and benefit from other

modes. The important factors are the context and conditions that facilitate new knowledge creation.

2) Knowledge Storage/Retrieval

Whether an organization create knowledge and learn, the knowledge can be forgotten or lost (Argote et al, 1990). The knowledge storage/retrieval works as organizational memory. The knowledge can be stored in many forms such as written documentation and electronic database. However, Information Technology is only a tool to store and manage organizational knowledge easier. Advanced computer system and retrieval techniques are effective tools to help organization access its memory faster. The organizational memory helps in storing and reapplying the standard of operation, problem solving.

3) Knowledge Transfer

The knowledge transfer occurs at various levels, between individual to individual, individual to group, or even an organization. The effectiveness of transfer process depends mostly on the receiver in terms of motivation, capacity of assimilation, past experience and situation. Another important factor is the knowledge transfer channels.

Argote & Ingram (2000) define knowledge transfer as "the process through which one unit (e.g., group, department, or division) is affected by the experience of another" They further point out the transfer of organizational knowledge (i.e., routine or best practices) can be observed through changes in the knowledge or performance of recipient units. The transfer of organizational knowledge, such as best practices, can be quite difficult to achieve.

Szulanski's doctoral dissertation ("Exploring internal stickiness: Impediments to the transfer of best practice within the firm") proposed that knowledge transfer within a firm isinhibited by factors other than a lack of incentive. How well knowledge about best practices remains broadly accessible within a firm depends upon the nature of that knowledge, from where (or whom) it comes, who gets it, and the organizational context within which any transfer occurs. "Stickiness" is a metaphor that comes from the difficulty of circulating fluid around an oil refinery (including effects of the fluid's native viscosity). It is worth noting that his analysis does not

apply to scientific theories, where a different set of dynamics and rewards apply. There are four barriers to knowledge transfer (Gabriel Szulanski).

1) Ignorance: Those who have the knowledge don't realize that others may find it useful. At the same time, those who could benefit from that "knowledge" have no idea someone has it.

2) No absorptive capacity: Even when employees were not ignorant of the knowledge, they lacked the money, time and management resources to pursue and study it in enough detail to make it useful.

3) The lack of pre-existing relationships: People absorb knowledge from other people they know, respect or like (most often). If two employees have no personal tie or trust, they're less unlikely to coordinate with each other or put their experience into their work.

4) Lack of motivation: People may not perceive enough reason to improve team collaboration or transfer knowledge to other.

4) Knowledge Application

On of the most important factor is the method used to deliver knowledge to receiver. At this point, technology helps embedding the knowledge into organization. Information Technology (IT) takes part in facilitating the capture, update and accessibility of organizational knowledge asset. Nowadays, business people invest in their knowledge management system, put it on intranet in order to be available an accessible.

The processes mentioned above are general terms. The bigger challenges in managing knowledge asset are that there are more than one type of knowledge and each one has different details in each KM process. To understand this better, we must understand each type of knowledge first. There are two main types of knowledge in the past study.

Nonaka and Takeuchi offer classification to two types of knowledge, explicit (transferable to data), and tacit (hidden in the head of people).

Tacit knowledge is stored in people's brain as mental models, experiences and skills and is difficult to communicate externally (Vail, 1999). The conversion of tacit knowledge can be done in two ways. One is from tacit knowledge to another tacit knowledge through socialization. Another way is from tacit knowledge to explicit

knowledge which can be done through externalization by codifying an individual knowledge (Nonaka and Takeuchi, 1994).

This paper will mainly focus on how an organization share its tacit knowledge and pass on to employees in order to improve the competence. The tacit knowledge is harder to share. It needs to be transformed and codified into explicit knowledge first to become more tangible and understandable by receiver. As mentioned earlier, knowledge occurs from individual level, group level, to organization level. At individual level, we acquire knowledge as we're doing our jobs, as we ask question, all the time. But for bigger level, it's much harder to create, store, transfer and adopt an application that will support all these processes.

Another important factor in sharing knowledge is an application. In our study, the application used is e-learning system. The e-learning and e-collaboration play a great role in transferring tacit knowledge within an organization. The companies may acquire new ways of managing tacit knowledge and information to active competitive advantage. Nowadays, e-learning offer many benefits for education in terms of access to learning, more flexible learning and also the range of learning. The educators enter a learning environment that combined information with information technologies and design. The learners will face the borderless range of options in learning portals which lead to many course ready to be delivered through their personal computer. The "E" term in e-learning is not only for electronics but also for engagement of the learner, enhancement of learning, experience of exploration, ease of use, empowerment of learner to control the learning schedule.

There are also e-collaborative courses provided to improve group performance through the shared experiences of participants in community of practice. The phrase "community of practice" is considered to be literal ambiguous (Lindkvist, 2005). The phrase refer to the group that have been practicing together long enough to understand each other. However, the meaning could also refer to a group of people that contribute toward learning together. In order to transfer tacit knowledge without face-to-face contact, learning through situated environment must be considered in a creative and effective way. Importance should be placed on mechanisms which encourage tacit knowledge to be shared with others within a community of learning

There are many concerns in the past studies about the transfer of tacit knowledge. Most of the studies about tacit knowledge sharing were explained in corporate context. This part of literature review also covered the studies about e-learning system as a significant part of knowledge application used to share tacit knowledge.

Integration of e-Learning and Knowledge Management

Knowledge Management technology is used to rapidly capture, organize and deliver large amounts of corporate knowledge. Darrell Woelk and Shailesh Agarwal provided couple frameworks that explained about the life cycle and the flow of knowledge within an organization. It referred to the four phases of knowledge conversion which are socialization, externalization, combination and internalization. Then the researcher indicated how e-learning take part in each phase. The paper has illustrated how e-Learning technology can be used to enhance knowledge and provide benefit to an organization. The methodology used in this research was a not specified. However, the finding is interesting. It compared 4 business scenarios from a small group training to big enterprise, and illustrate how e-learning could help improve the learning an d knowledge sharing in each scenario.

Also, the implementation of e-learning can help SMEs to develop skills of employees (Robert John Harris). This research identified the perception of SMEs towards e-learning and the ability of managers to embrace technology-based training. The methodology used was the interview with 24 respondents. The result showed that most of them understand the benefit of tacit knowledge but still lack of understanding the benefit of e-learning. Not all the subjects can be delivered effectively through e-learning, the advantage of e-learning is that it can cater for each learner's preferred learning style by providing multiple paths of learning. In this case, changing expectation of employers and employees is a must. They also found that people tend to increasingly eager to learn what they need to know. The manager focus more on the ability to solve a problem and work performance than just a college certificate, therefore they spent more budget on these kind of training.

Factors impact tacit knowledge sharing within an organization

Many researches have been conducted regarding knowledge management, but little research has been devoted to the transfer from employees' tacit knowledge to organizational knowledge. There are two main characteristics that may affect the effectiveness of implementation from tacit knowledge to explicit knowledge. One is the Organization Characteristics which refer to Innovative culture and Collaborative culture. The innovation culture is one the factors that can support the success of tacit knowledge sharing. It increase an employee's willingness to help the organization gain access to his tacit knowledge (Fidler and Johnson, 1984). For the Collaborative culture, this is important because the firm need to create the collaborative culture so its employees will participate more. The pitfalls are that 1) people don't like to share their best knowledge 2) people love to consider themselves as the expert and ignore to collaborate with others. The second characteristic is the Initiative Characteristics which consist of 4 factors, Top Management Support, Formal KM Staff, Incentive and Communication about KM.

Sharing Tacit Knowledge in Organization is a challenge in managing young and ageing employees (Sanna Vitainlahti and Raili Molanen). There are different aspects relating to recognizing and sharing tacit knowledge. Researcher aimed to explore how employees of different ages and their competencies are seen and fully used in organization. They also aimed the mutual learning and sharing tacit knowledge between young and ageing employees. In a focus group, two groups of employees was told to identified competencies in each other and themselves. Young employees were perceived to be better educated and to have better IT skills and technical competencies. They were also seen as lacking of experience. Ageing employees were considered very experienced and capable in their work processes but they were also seen as lacking of IT skills and foreign language, also resistant to change. The result turned out that the ability to learn is not depended on age but the environment and organizational culture. This will affect the process of learning in each individual. The respondent also agreed that working together between young and ageing employees help transfer the tacit knowledge and understanding in work process.

Another interesting study is about the investigation into the effectiveness of storytelling as means of sharing tacit knowledge. The research's objective is to investigate the effectiveness of storytelling as means of sharing tacit knowledge. There was much concern among companies that the retirement of many experienced employees will leave a large gap in organization memory. The methodology used in storytelling. The eight stories were collected from executives and were analyzed by six workers (storytakers). The result showed that tacit knowledge can be captured through storytelling. The stories taken by workers went beyond the intent of storyteller. The research confirmed that tacit knowledge sharing can add value to the organization's competitive environment. The researcher recommend factors to consider when implementing the use of stories and storytelling as a tacit knowledge capturing method including a solid process for encouraging knowledge workers with long service to share their experiences. However, the finding of this research was collected from only one organization. Storytelling method also engages the participants imagination and emotions, and it helps opening the minds of listeners to learn better (Grafton Whyte and Monica Ralake).

- It offers a way to explore complex issues

- Help people remember better if it's in story form

- Build trust and improves cooperation.

One more thing that cannot be overlooked is the factors that affect the knowledge creation because after the knowledge sharing, the learner will receive new knowledge and begin the process of knowledge creation within their head. The study by Wasan and Chotchai illustrate the six factors that may affect the knowledge creation. The knowledge creation stated in this study include all four modes which are socialization, internalization, externalization and combination. The six factors are 1) Vision of leadership 2) Incentive 3) Collaboration 4) Trust 5) IT Support and 6) Individual competency. The finding indicated that the Incentive, IT Support and Individual competency will affect the overall knowledge creation of employee. The collaboration will affect both socialization and externalization which are the modes and involve communication between two individuals in a group. The Combination will be affected by IT Support and Individual competency. The internalization will be affected by the Vision of leadership, Incentive, IT Support and Individual competency.

From the literature review, we can see a much clear picture about how to improve tacit knowledge and what are the factors and will lead to success and failure. However, the result depends on organizational culture and environment which affect the motivation to learn of the learner. The methodology used are quite the same which is an interview. From studying these research findings, we are able to design a research methodology that suits our scope of interest.

In the context of our study, from literature review, we are able to define six factors that will be used in the case study. The six factors are as follows:

Figure 2.1 The six factors that affect knowledge creation

CHAPTER III
METHODOLOGY

The methodology used in this research is qualitative research by doing a case study. We selected one company to be a case study which is KASIKORNBANK PCL (KBank). The bank is a big enterprise with hundreds of branches all over the country. The objective of this study is to understand the effectiveness of tacit knowledge sharing via e-learning. We use the one-by-one interview method.

For the background of the selected company, The KASIKORNBANK Public Company Limited was established on June 8, 1945, with registered capital of Baht 5 Million and only 21 employees. Since its inception, the Bank has grown healthily. As of September 30, 2013, the Bank, with registered capital of Baht 30,486 Million, had total assets of Baht 2,240,034 Million, total deposits of Baht 1,552,217 Million, and total loans of Baht 1,413,050 Million. The Bank operates 915 branches and sub-offices across the country, comprising 301 Bangkok branches and 614 upcountry branches. The Bank has ten overseas offices, including the Los Angeles International Branch, Hong Kong Branch, Cayman Islands Branch, Shenzhen Branch, Chengdu Branch and the Representative Offices in Beijing, Shanghai, Kunming, Tokyo, and Yangon which greatly facilitate international trade and financial service transactions between Thailand and our trade partners worldwide.

In such big enterprise, internal communication is one of the most important parts in business process in order to support coordination through out the company. The current communication method in KASIKORNBANK is Lotus Notes, our respondents are well familiar with it. They use it to send email, arrange a meeting, update schedule and other information. Another way is through KASIKORN TV which is used for internal purpose only, both horizontal level which is from KBank's employee to employee, and vertical level which is from superior to subordinate. Most of the programs are Variety Show, KBank news, Business news and KBank policy update. There are 3 possible ways of learning for employees which are 1) Learn of courses provided in e-learning, the employees have to take some required courses of

their division such as New hired orientation, Anti-Money Laundering, etc. There are also courses that are optional for them to learn from total 156 courses. They may search in the web-based e-learning to see the course list or read from the e-mail that has been sent to them via Lotus Notes in order to encourage employees to learn. 2) Learn from their colleague, could be interpersonal or group. This depends on their job function and opportunity to learn from colleagues with greater knowledge. 3) Learn from external sources such as the internet, books, television, expert in specific field.

We chose to conduct our study at the head office. The interview has been set to identify the process of sharing tacit knowledge via e-learning and its effectiveness. The population of this study is the employees in Corporate Business Division at Rat Burana Head Office which is around 400 people. There are Thai, Foreigner, Young people, Old people, Executives, Junior Employees, Male and Female. The reason that we chose this division as the population of this study because we wanted to focus only the job function that require tacit knowledge and competency in its operation.

The sample size was 10 current employees of Corporate Business Divison. They were randomly picked among senior employees (graduated Master's Degree) and all are working in Corporate Business Division (CBS). All of the sample work as Sales in Corporate Business Division. Their roles and responsibility include selling KBank's product to corporate client, the products are insurance, loan, financial transaction services, etc. The task is challenging due to the huge amount of money and benefit that KBank will receive from corporate client. Their job function is not only to generate sales but also to maintain a good relationship with corporate client as well. Currently, KBank has its own e-learning system which is vary from general knowledge such as New Hired Orientation, to specialize field knowledge such as financial law, customer relationship management, credit analysis etc. The samples were asked to talk about their e-learning usage behavior, also their attitude towards e-learning in terms of characteristic and benefit. A set of 10 questions was used in order to understand their behavior and identify factors that affect their behavior.

The independent variable is the ability of e-learning to share tacit knowledge to the learner. The dependent variables in this study are the effectiveness of the tacit knowledge creation after the respondents have learned the lessons from e-

learning. In the field of knowledge management study, there are many factors that affect the process of knowledge sharing and knowledge creation of the receiver, this study also brought them to the discussion as well.

CHAPER IV
DATA ANALYSIS

The data analysis method used is to identify the correlation of data collected from each respondent, also to identify factors that affect the tacit knowledge creation after their lesson of e-learning. In our study, all the samples are current employee of KASIKORNBANK PCL. The respondents' age is between 28 – 33 years old. Three of them are male and seven are female. All of them work in the Corporate Business Division and nine out of ten held a corporate title of Senior Employee, only one of them is a Unit Manager. They were all graduated Master's Degree, six of them were graduated from oversea and four of them graduated from local university in Thailand. The largest proportion of respondents is above 30 years old. Every respondent works at KASIKORNBANK PCL for more than 5 years.

The interviewees were asked about their e-learning usage behavior and their attitude toward the current e-learning system. We asked such questions in order to identify the reason behind the usage of e-learning which will affect the quality of tacit knowledge learning. There are ten interview question used in this study. Firstly, we asked about general behavior of e-learning usage and the purpose of using it. Then we dig deeper in details about their attitude toward KBank e-learning in terms of characteristic, ease of use, lesson provided.

The interview started with general question about e-learning usage behavior. The first question asked is to identify whether the respondents ever used KBank e-learning or not, also the purpose of using it, followed by the lesson that they decided to learn and the reason behind it. These two questions help us to know the importance of KBank e-learning to the respondents, each of the respondent have average working experiences at six years in the field of sales, four of them have direct experience to contact with corporate clients, and the rest of them have experience in sales with other kind of clients such as SME, Small business, Retail customer. If they already have experiences in sales so why do they need to learn more from e-leaning, and what is the reason behind that.

After the first two questions, we tried to find out more in details about each lesson that they learned and their feeling after learning from e-learning. We also asked them to explain the lesson learned to check whether they really understand the knowledge from lesson as it was meant to provide or not. The respondents were asked to compare their experience of learning with e-learning and other sources of knowledge such as library, colleagues, internet, and real practice, in order to identify their satisfaction, effectiveness of result and attribute of the good learning material which also affect the result of the learning.

The questions are well prepared but the challenge is to analyze their answer in order to separate the factors out of their words. Each question is followed by probing question to dig deep in details because the respondent may not recall everything or the actual feeling when they used KBank e-learning, so it is necessary for the researcher to help them remember and tell us the specific details that we wanted to know.
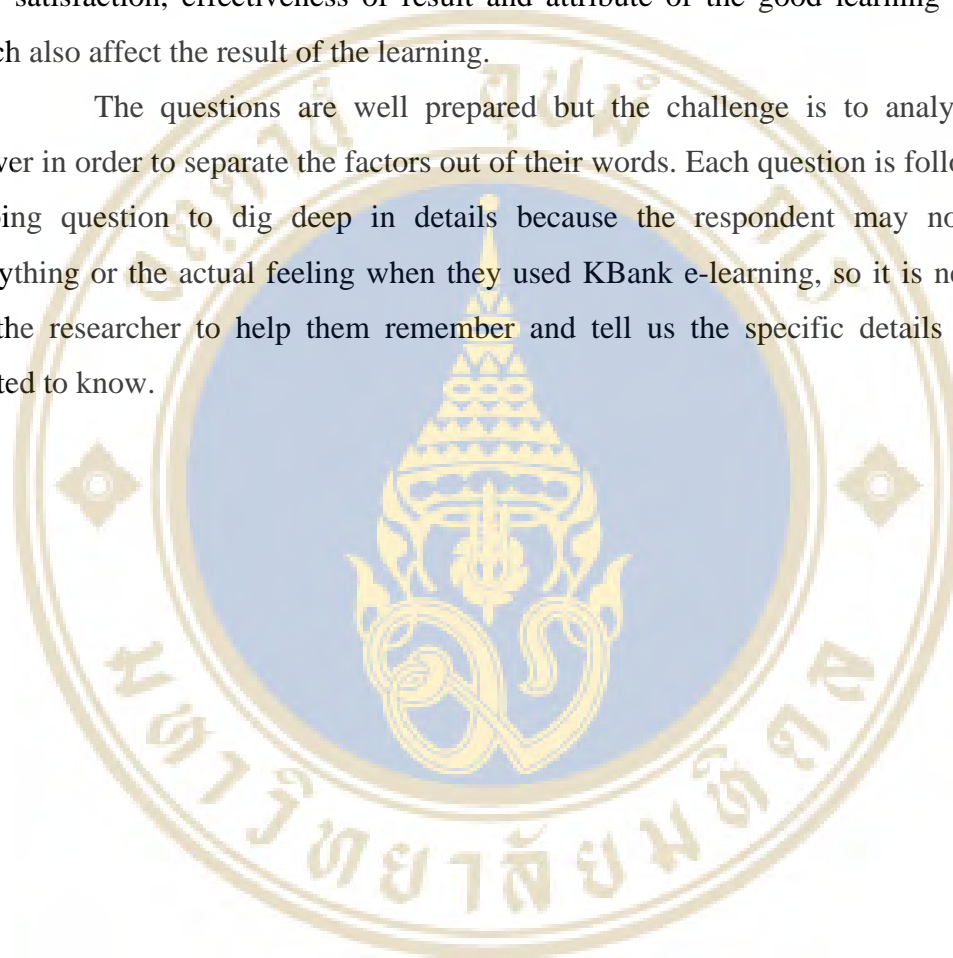
CHAPTER V
FINDING

At the start of interview, the respondents were asked to introduce themselves, about their personal information, current position and past working experience. Then the moderator told them briefly about knowledge management and types of knowledge. Each respondent were asked to share their past experience of knowledge sharing and learning within KBank. Most of the respondents are familiar with internal knowledge sources provide by the company and also the internal communication channel used within KBank. The knowledge sources provided in KBank are library, e-learning, internet and division's database.

After the warm up process, we asked the respondent whether they ever used the KBank e-learning or not, we have found that all of the respondents have tried e-learning for many times. There are total of 156 courses, divided into 15 categories which are Finance, Sales, Services, Product Knowledge, General Business, Marketing, Process and Procedure, Legal and Audit, Computer System, Leadership and Management, Self Development, Language, Orientation, Human Resource. Six of the respondent joined the course in Sales category in order to improve their sales skill for corporate client because it's different from retail/SME client. However, three out of the six respondents who ever tried the Sales courses joined courses because their superior wanted them to learned due to the lack of experiences with corporate clients, and only one out of these three respondent also studied related courses in Sales category. For another two, they stop after finish the lesson that they were told to study by their superior. Another three respondents who joined the courses because they were willing to learn by them self, and they also studied further more in related lesson. From this behavior, it could be implied that people who're willing to learn tend to study further more because they think the knowledge is useful.

Moreover, the rest of respondents never joined the Sales course because they have direct experience with corporate clients. All of the respondents have to learn about product knowledge in the category related to their work. This is required for all

employees in CBS division. The respondents told us about many courses that they have tried, not only the courses that are related to their work but also other topic of their interest such as Language and Self Development. There are many reasons behind the purpose of studying all these lessons but group them up into 5 groups as follows: 1) They were told by superior, 2) It is required for their position, 3) They wanted to learn the topic of their interest and 4) Their colleagues recommended the lesson, 5) To solve current problem.

After we identified their usage behavior, we moved on to identify their attitude towards the KBank e-learning. Eight out of ten are satisfied with the variety of courses provided in the e-learning system, while the rest of them considered that the courses are too generic. They all agreed that e-learning is easy to use and understand, the content is easy to understand. However, the courses list is not well organized, and they often failed to search for the course that they wanted to learn, some of them give up and lose their opportunity to learn at the moment they wanted it. Not all the respondent thought that the e-learning is useful, some of the respondent claimed that they already knew the content and the lesson didn't provide new knowledge, while 3 of the respondents agreed that they gained new knowledge from the course. This is the effect of difference past experience and self esteem.

More on findings, there are many styles of presentation in e-learning system such as slide show, audio, video, storytelling and long passage. None of the respondent preferred the long passage or any course that require long time to study. They preferred the course that they are able to skip the pages that they do not want to know, or not the core content of the course. So the most preferable ways are storytelling and slide show. They are agreed that the slide show is straight to the point and easy to navigate. The storytelling method made them excited to learn and remember the content better than other styles of presentation. However, it's harder to search for content and they may skip the content that they wanted to learn if they forward the track too much. This could be implied that they wanted to learn only what they wanted to learn.

The respondents select the courses based on their own interest more than the influence from other people, but we also found that the opinion from colleagues especially their opinion leader (e.g. close friends, boss) affect their decision about the

usefulness of e-learning. The respondents may not use e-learning at all if their opinion leader said that it's useless or waste of time. However, the effect of opinion leader will not last forever, the respondent may have a feeling to learn again if they have some problems during work or receive information about e-learning such as email from Human Resource department that encourage employees to learn from e-learning.

Each of the courses provides course description and the instructors' name, most of respondent agreed that they always read the description before they enter the course, but the instructors' name has no effect on their decision at all. They also wanted to learn more if there are some rewards such as certificate which guarantee that they have passed the course. The certificate works like an incentive to encourage employees to learn because their bosses also take it into consideration as well when promoting employee but not more important than the sales target and work performance. Apart from email from Human Resource department, there are very few supports from the boss and KBank to encourage employees to use e-learning. Some of the respondent said that it may be because the e-learning is not that important for the executives, they focus more on the work performance and they believe that the knowledge comes from work experiences over time, also because there is no e-learning system back in the past.

For the lesson learned, six out of ten respondents agreed that they gained new knowledge through e-learning. For explicit knowledge, they have learned and create knowledge in the mode combination which is to convert explicit into new explicit knowledge by taking notes and summary of what they have learned. This happened because all the e-learning course require exit test before they can pass the course, but some of the respondent took note in order to use it in the future. Then the knowledge has been converted into tacit knowledge again when they remember the content and applied in their work. The respondents agreed that it takes time to apply what they have learned effectively, but it's easier if they are familiar or have past experiences with that topic before.

More on tacit knowledge, five respondents feel that their work performance is better after they learned from e-learning. They make decision better and made less mistake in their work. Another five didn't feel any differences. The coincident is that the respondents who said that they were willing to learn at the

moment remember the content and tend to apply the lesson learned more in their work. They also tend to share knowledge more with colleagues, the reason is that they feel proud of themselves when they have more knowledge.

For the collaboration in e-learning, unfortunately the current KBank e-learning provide no e-collaboration courses that employees can learn and work as a team such as simulator program. All of the course is for individual learning. The respondents also agreed that they understand and absorb knowledge from colleagues better after they learned from e-learning, because the e-learning is the tacit knowledge that has been converted into explicit knowledge in the form of rules and procedure. The respondents who have direct experiences with corporate clients are also familiar with the techniques and procedure taught in e-learning and they understand the content faster than other respondent. However, after the lesson and applied in to real life, the respondents has developed their tacit knowledge overtime. They feel that when they work with their superior or colleagues with greater experiences, they understand the process faster. It indicated that they absorb tacit knowledge and convert it into new tacit knowledge in shorter period of time as well.

For the characteristic of e-learning, the respondents said that they preferred the course with nice graphic design and clear content. They tend to give up or feel bored if the content is too long or there are no sound effect, audio, graphic.

After analyzed their answer, we are able to come up with factors that affect the tacit knowledge creation in KBank via e-learning. The factors are similar to what we've learned from literature review except that we cut the Collaboration off since it's a part of KBank e-learning and didn't contribute to knowledge sharing and creation in this case. The factors are as follows:

Management Support

The finding indicated that the managements support is one of the factors that affect the knowledge creation of employees. From respondents' answer, we have found that the managements at KBank also analyze and evaluate their subordinates, also give advice to them in order to improve their competency because it contribute to the goal of the division as well. Not only the encouragement and advice, they have their own standard and qualification in their mind whether to promote an employee or

not, and the employees know so they tried to improve their knowledge for this. This factor also includes the organization culture that encourage employees to learn.

Incentive

The incentive in this case means the rewards that the employees will get if they participate in the e-learning system. There are certificated and rewards for the division that use e-learning often. The employees are persuaded by the advance of their career path.

Motivation

The motivation is one of the most important factors. The motivation for them to learn from e-learning could be the benefit of the information, problem solving, self esteem. The benefit of the information seems to be the main purpose of e-learning usage because majority of the respondents learn what they are willing to learn. This may begin with a solution finding in order to deal with their current problem, but they tend to keep learning if they see the topic that would be useful. The self-esteem is also included in this factor because the respondents describe that they feel proud when they have greater knowledge than their colleagues. People tend to absorb knowledge the best when they are willing to receive the knowledge, in this case, when they are willing to learn from e-learning.

IT Support

IT support includes the advance, the ease of use of the e-learning system used in KBank. The advance of technology in KBank is related to the variety of presentation style in each lesson, current technology must support the most effective way of lesson presentation in order to transfer the knowledge to employees effectively. The ease of use is also important because it will affect the eagerness and ability to receive knowledge of the customer, which of course will affect the knowledge creation eventually.

Past Experience

This is one of the most important factors in this case, because the past experience is the source of individual competency. Most of tacit knowledge takes time to create along with individual experience. Different amount of experience or knowledge will affect the amount of new tacit knowledge creation. However, from our study, it cannot be concluded that people with greater past experience is sales experience will always gain more of new tacit knowledge of the field because in some case the respondent may have deep understanding due to his own intuition, this also depends on a different level of ability to absorb knowledge in different environments, times and knowledge sources.

Trust

We have found that if respondents were recommended by their opinion leader to try a lesson, there will be more possibility that they will try the lesson. It affects their motivation to learn which lead to knowledge creation. This also includes the trust in KBank's e-learning as a good knowledge source.

From the flow below, we've concluded the six factors and how it could affect knowledge creation in each mode.
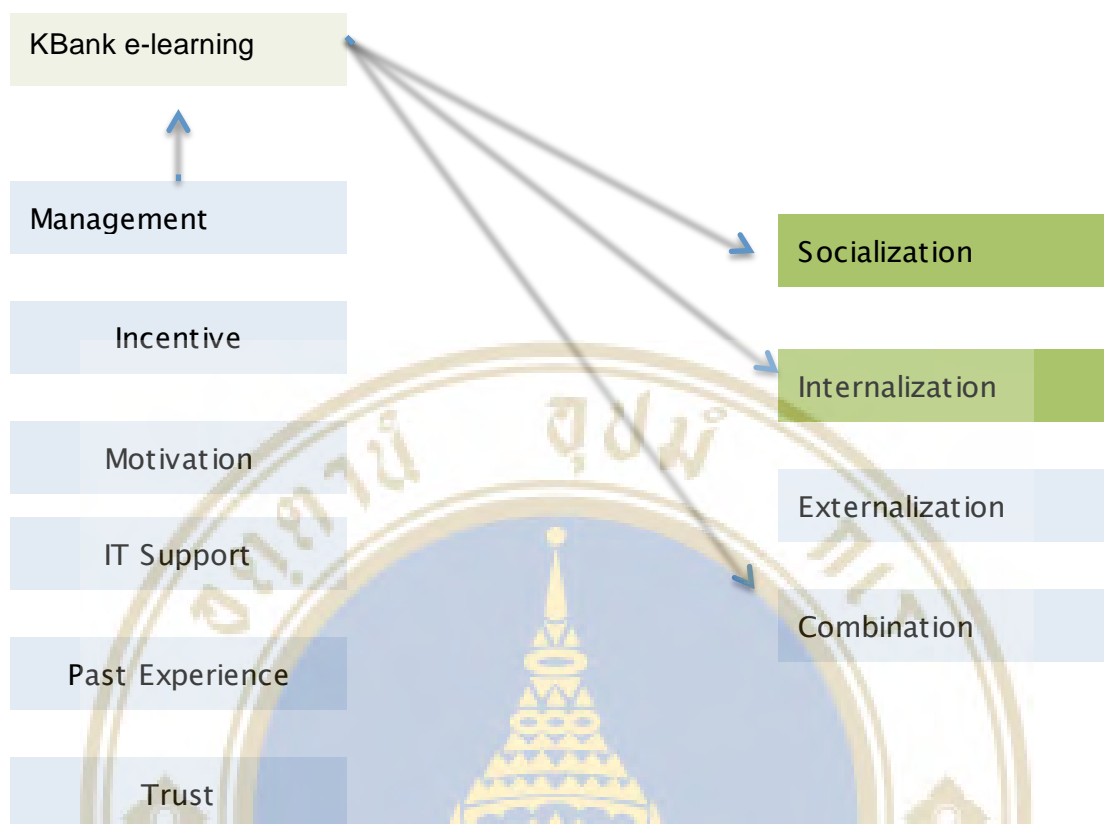
Figure 5.1 The six factors that affect knowledge creation in KBank

From the flow, all six factors affect the effectiveness of knowledge sharing and quality of knowledge received by employees, which will also affect the knowledge creation in 3 modes, 2modes in case of tacit knowledge. The knowledge gained from e-learning helps employees to communicate and share knowledge better at interpersonal level when they work with people with greater experience, they will absorb tacit knowledge and convert into new tacit knowledge better because they have understanding in such knowledge field. They also share tacit knowledge to their colleague better during their work. For the internalization, the e-learning helps employees do their work better by converting explicit knowledge from e-learning into tacit knowledge. After learned from e-learning, the more they experience sales work or other works, problems, they feel that it's easier to make the job done or solve the problem. The e-learning works as knowledge source that contain both explicit and converted tacit knowledge. For the combination, the new knowledge learned and overall experience after learning helps improve their skill about paperwork such as reports, summary, data preparing which are the essential parts of sales position.

Our research had some limitation. First, the data was collected from one company only due to the time limitation. We collected data from 10 samples in KASIKORNBANK PCL., therefore the collected data only showed the insightful information and attitude towards the e-learning in KASIKORNBANK PCL. The finding would be more effective if collecting data from different group of people and/or business organization. In further research, the characteristic of e-learning could be different, also the type of knowledge. The second limitation is that the respondents are unable to fully recall their memories about e-learning usage, the researcher has to visit those courses mentioned by respondents in order to get the clearer picture about the characteristic and content of the courses.

CHAPTER VI
RECOMMENDATION

In our study, the KBank's e-learning system helps employees improve their competencies and skills, However, there is lack of courses that provide collaboration between employees. The collaboration such as simulator helps employees learn from doing, and receive knowledge better when they're learning from colleagues with greater experience or someone that they trust.

Moreover, KBank should make a change in organizational culture, change it toward the learning culture. There are lack of encouragement from managements and overall bank's policies. The change will benefit the bank in the long run in term of keeping knowledge within organization by absorb knowledge from current expert in the company, currently the name of instructor has no effect with the employees, the employees may be eager to learn more if they learn from someone they can trust. Another benefit which is more tangible is that the learning culture will increase employees' skills and competencies which will lead to the company's performance eventually.

Improving tacit knowledge alone is not good enough because the employees will improve their knowledge best when they collaborate with colleagues or do the real job. If the company could create such working environment, it'll improve the company's performance as well.

CHAPTER VII
CONCLUSION

In this study, our objective is to study the effectiveness of KBank's e-learning in sharing tacit knowledge to its employees. We've found that the current e-learning of KBank can improve employees' competency through 3 modes of knowledge creation. However, the e-learning alone is not enough, to improve tacit knowledge creation, the company need to create working environment that provide opportunity for employees to collaborate more, also create the learning culture within the company. There are some encouragements and incentive used within the company, However, the company should educate its management about the benefit of this change, and to encourage employees more. The learning culture will improve overall explicit and tacit knowledge in the four modes of creation cycle, also overall knowledge process and the company's goal eventually.

Finally, for further study, there are major differences in term of tacit knowledge between different fields of business. This case study was conducted in the banking organization, therefore the tacit knowledge required for each position in different field of business may not be the same and some tacit knowledge may not be able to communicate or transfer through e-learning due to the different function of technology used for knowledge management and/or information sharing in an organization. However, e-learning is only one method of information sharing, the next study may focus on the broader type of technology used for knowledge management or compare the benefit of each method in tacit knowledge sharing between different organization and/or knowledge creation of the learner when learning from different methods.

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