# On the Model Design of Human Resource Management Based on Knowledge Management

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**Abstract.** Based on the research of knowledge management, human resource management, and the cultivation of innovative talents, this paper puts forward the human resource management model. By emphasizing more on flexibility in human resource management theory, building a flexible remuneration system and scientific incentive mechanism, sharing database and advocating studying enterprise environment, and saving and renewing the knowledge this paper aims to improve the effects of human resource management and affect the knowledge management of the enterprise.

#### Introduction

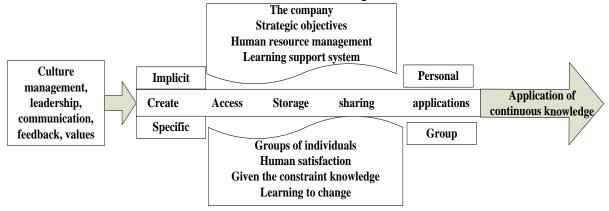
With the continuous development and deepening of knowledge economy, knowledge work will become the main form in creating value in new economy [1, 2], knowledge management will also become a new center in the enterprise management. Human capital and knowledge capital are becoming the source of enterprise competitiveness and inexhaustible driving force. However, many companies mistake knowledge management as an information management strategy which for instance establish a "digital" enterprise or simply introduce or develop a knowledge management system. Actually knowledge management is a complicated system. Although information technology is an important tool for knowledge management implementation, its role in promoting knowledge management is very limited. Therefore, we should not over emphasis the role of information technology and ignore the function of human in knowledge management. So how to combine "technology" and "people", and maximize the function of knowledge management is an urgent problem in enterprises (4, 5).

Based on the knowledge management, this paper wants to probe into and study the management of human resources. This paper wants to penetrate knowledge management into human resource management; to create scientific knowledge management by using human resource management; to establish knowledge identification mechanism, and improve the ability in identifying knowledge; to build an effective human resources incentive mechanism, collect and share enterprise knowledge; to advocate a learning environment in company, save and update the company knowledge; to set up good human resource flow mechanism and protect the enterprise knowledge. Some relevant theories have put forward a hypothesis model to show that the human resource management, knowledge management and innovation ability influence each other and relate to each other in some way. At last, through combined analysis of theory and practice, this paper goes deeper in researching and analyzing the relationship among the three to verify the hypothesis proposed in this paper. Finally it comes to the summary of this paper.

## On the correlation function of human resource management, knowledge management and innovation ability

The core content of knowledge management---human resource management: Knowledge is the symbolic system of the real world meanwhile the symbolic system of thoughts, theory, tools, and logic. [6]. Generally speaking, knowledge is divided into explicit knowledge and tacit knowledge. Explicit knowledge can be expressed in a variety of languages making it easy to share and

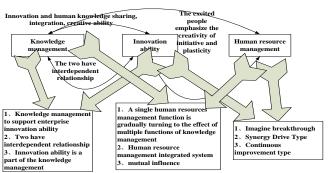
communicate between individuals. Since the explicit knowledge is easy to spread in different groups which makes it difficult for a company to cultivate their core competitiveness by explicit knowledge. While the tacit knowledge, owing to its features difficult to replicate and easy to proliferate breeding, is valued by more and more enterprises and is becoming the main source of core competence of the knowledge base in the enterprise. Knowledge management refers to knowledge assets consciously discovered by the enterprise staff and then shared through information technology. On this basis the employees are to innovate and take advantage of the knowledge. It is obvious that the development of knowledge management always focuses on the three factors namely the organization, human and information technology. Organizations realize the knowledge management of the organization through the application of information technology and providing services for human's creation. As picture 1, it shows the human model under resources management



Picture 1. the contents of human resource management of knowledge management

Organization requires more on sharing knowledge to maximize its competitiveness; while from the perspective of personal knowledge management, it can concentrate on improving one's competitiveness and doesn't need to consider much in sharing. The above description shows clearly that there is no direct conflict between them. The one who has implemented knowledge management better understands the meaning of sharing knowledge than those who hasn't. One important part in personal knowledge management is one must make full use of various channels, including interpersonal circle, information platform provided by groups newspapers and magazines etc. If one wants to get what he wants in the circle he must be able to provide something meaningful to others and be recognized by others namely he must be capable of sharing his existing knowledge. Therefore, knowledge sharing will become a habit in this process.

The relationship of knowledge management, human resource management and innovation ability: As picture 2, the process of enterprise innovation is a process of generating new knowledge. The process of knowledge management also called as an innovation process of the enterprise is going to generate new ideas, new products or new service by applying the existing knowledge. The systematic of the knowledge management process contributes a lot for the employees to a deeper and safer understanding of knowledge which makes it easy for employees to create new ideas and helps a lot in improving the innovation ability of the enterprise. The enterprise knowledge is the source and standing point of creation but the creation ability of a company must rely on an effective knowledge management whose effectiveness and systematic is the precondition and guarantee. Only penetrating innovation into each work can maximize the company's innovation ability. Innovation work is the core and goal of knowledge management. The enterprise should attach importance on it and does the knowledge management work.

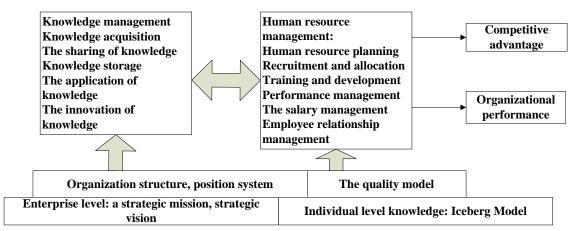


Picture 2. The relationship of knowledge management, human resource management and innovation ability

The essence of enterprise innovation is to achieve internal knowledge interaction and transformation, to generate new knowledge and finally to realize its value. From the perspective of knowledge, the enterprise's innovation ability includes learning ability, knowledge creation ability, knowledge sharing and knowledge integration ability all of these are a whole system should not be simply gathered together. Effective human resource management ensures high quality talented person who play an important role in innovation ability. Good organization culture enhances employees' responsibilities and recognitions, which incentive the employees do things voluntarily and creatively and further increase the chances of innovation in enterprise. Good organization atmosphere contributes to interactions and team work, increases employees ideas and suggestions furthermore offers chances for innovation. Reasonable incentives encourage employees to take risks and reforms, tolerant errors, also bring new ideas for the enterprise. Systematic training and learning increase the collective knowledge within the organization and provide solid foundation for innovation. So the human resource management department should be closely linked to all departments in order to shape an innovation oriented enterprise culture.

#### Human resources management model and framework based on knowledge management

The core content of enterprise level is enterprise strategic vision and mission, also the foundation of organization system construction. Human resource management serves the realization of the strategic mission, target and service, which is the essential method to implement enterprise strategy. Chandler's famous research concluded that: the organizational structure comes after the organization strategy. Organization structure which is an important carrier of human resource management is an important form of implementing the human resources management into the corporate strategy. The second important factor influencing the interaction is people. Because everyone differs in ability and disposition, so the analysis and management of the personal knowledge mainly rely on the iceberg model constituting the cornerstone of the knowledge carrier. In order to accurately describe the personal knowledge, we depend on quality model reflecting the employee's knowledge and skills in different ways to display the personal potential and quality. By building quality model, employees' potential abilities can be evaluated effectively. On this basis, the personal information will be provided for the enterprise's human resources planning, staff recruitment and configuration, training and development, performance management. As a result, an interactive platform providing a good environment for enterprise knowledge acquisition, creation, transformation, sharing will be built.



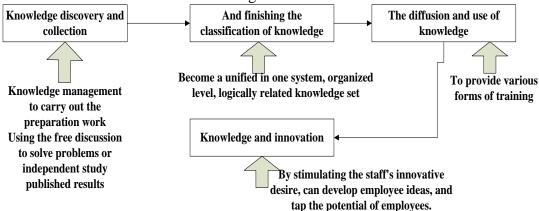
Picture 3 Human resources management framework based on knowledge management

### The design strategy of human resource management mode based on knowledge management

Value the flexible concept of human resources management: Judging from the level of business strategy, knowledge-based enterprises should value the core status of human resources in the enterprise resource allocation. Enterprise's human resources should serve for the realization of the enterprise strategic target, becoming the first factor of the main strategic resource allocation. Human resources development and management departments should attach great importance to exert human initiative, keep good contact with other departments, and help enterprise to achieve its strategic goals. The realization of the effective operation of human resources development and management helps to establish the overall growth of the organization, let the manpower planning matches the enterprise strategy and penetrate the core concept of "humanistic management" and the target into every detail of the enterprise management. The shared vision provided is to combine the enterprise management goal and the realization of staff's personal value. The theory emphasizes the employees' personal development and career design satisfying the staff career expectations. The theory conveys the enthusiasm of revitalizing company to an agreed value, and publishes the internal rules to form united regulations. It aims to cultivate a core value of enterprise human resources development and management.

Build a flexible compensation system and scientific incentive mechanism: Flexible compensation system means to give employees full right to choose from the design of compensation and benefits plan. On the design of compensation system should invite opinions from employees. The needs of the knowledge staff tend to be located in a higher level, because they are more concerned about the realization of their value, and strongly expect to get social recognition. They are not satisfied with the general affairs passively completed, so they try to pursue the perfect result. As a result, they are much keen on challenging work and eager to show their value. The demand structure of knowledge-based workers is mixed. As for them, they don't work only for material needs but for spiritual dignity and self-realization. It turns out that the most compensation can not necessarily buy their loyalty and thirst for career success. According to the rule of diminishing marginal income, when up to a certain degree the remuneration will lose its incentive effects, so in this case the incentive should be considered from the aspect of self-realization of employees. New incentives shall comply with the changing demands of enterprise employees: the first incentive is the environment motivation. By creating a good working environment to stimulate their creativity and enthusiasm, as for the management of knowledge-based workers, only need to assess the results, and weaken the process control as much as possible. The second incentive is emotional motivation. The management should rely on the power of feelings reflecting the mutual respect between people and good interpersonal relationship so as to achieve mutual respect and trust. The third is the target motivation. The targets to be built should be based on the workers need and should be inspiring and practical. The targets should not only show the direction of the enterprise, but also on behalf of the workers perspectives and their pursuits which can get identity from all the workers' and continuously provide new development opportunities for employees. The integration of a shared direction, the sense of mission, the sense of honor of employees, the pursuit of harmony can form the inner motivation affecting employees' to forge ahead spontaneously. In this process the employees will change the needs of the enterprise into the needs of the individual.

3.3 The establishment of a Shared knowledge base



Picture 4. The process of establishing a Shared knowledge base

Building a perfect Shared knowledge base is beneficial for the integration of company's internal knowledge. According to the current situation of the company and the needs of society, the base is to expand the contents and to construct a knowledge system, which is to optimize the allocation of organization resources. At the same time, in order to improve their professional technology level and cultural quality and strengthen the communication between employees the company can take advantage of this knowledge to train and educate them. The perfect Shared knowledge base to be built is to provide a platform for staff learning and communication, which can improve the utilization of knowledge. Through different mediums such as the internet to do knowledge propaganda and promotion, the communication between departments and employees can be enhanced and the learning enthusiasm of the staff can be improved. These factors are beneficial to form a sharing atmosphere in the company. The process of establishing a Shared knowledge base is shown in picture 4

### Advocate the learning atmosphere in corporate, storage and update of enterprise knowledge:

The reasons for creating an atmosphere of respecting talent through human resource management in small and mid-sized enterprise internal and motivating the core technologists to do more contributions to the development of knowledge management of the enterprise are for building a enterprise with a learning and creative atmosphere. Regarding the strategies of human resource management, enterprise technology innovation ability can be eventually improved by setting up a enterprise target that can motivate employees' innovation ability and integrating the target into the realization of personal value.

In small and mid-sized enterprise a friendly, trustful and mutual interaction culture will be finally achieved by using some relevant theories of human resource management and knowledge management to create an internal knowledge communication atmosphere and by motivating employees to share their own professional knowledge. Concerning the human resources management, the personal development has been ensured and meanwhile the progress of the whole enterprise has been advanced in the way of putting forward some certain incentives to help enterprise employees transfer from the traditional fixed idea and to make them benefit from knowledge sharing.

Because the knowledge management process is different, the training can be different to update the corporate culture. At the early stage of the knowledge management, especially when the knowledge management mechanism is not sound, employees knowledge sharing is in urgent need. Then the third way can be the best in that it actively introduces the external knowledge to make the internal employees gain more knowledge, consequently they are willing to share their knowledge. When the mechanism of knowledge management is gradually becoming mature, the internal training should be given priority to, for it is beneficial in two ways: by preventing the knowledge from leaking on the one hand, and on the one hand, by creating a platform for technologists to share their knowledge.

Knowledge management needs to constantly perfect the knowledge structure and improve the quality of knowledge, thus on the one hand, small and mid-sized enterprise companies can erase out some employees who turn out to be unfit for the job by the mediation of the market and performance appraisal of human resource management. On the other hand, if the science and technology have made progress in development, it is necessary to introduce people who can master new technology from outside. In a word, the updating and protecting the knowledge is a process of erasing out the unfit person and keeping the talents. Technology-based small and medium-sized enterprises should set up flexible human resource management model whose competitive mechanism enables the employees to compete for a work in this way it gives full play to the initiative.

#### **Conclusion**

The research of knowledge management has a significant meaning and value for Chinese enterprises, especially for the high-tech innovative enterprise. The main agent of the enterprise, namely the knowledge acquisition, sharing, application and innovation, has a deep influence on the collective knowledge of the enterprise. As for human resources management, the enterprise can choose suitable employees according to its needs and through training and developing to improve employees' skills. The enterprise knowledge management ability and innovation ability can be strengthened by a variety of incentives that increase the initiative and enthusiasm of employees in knowledge sharing and innovation. In knowledge management, the knowledge acquisition and absorption are considered as the source of knowledge innovation. Knowledge storage and sharing inspire the enterprise to innovate and increase the possibility of innovation. The knowledge application is a way to realize innovation in the enterprise. The knowledge innovation symbolizes the innovation ability. A company guided by innovation culture will affect the knowledge management of the enterprise.

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