An Analysis of the Organization Model of Enterprise's Open Knowledge Creation

Lihua GE

School of International Business, Tianjin Foreign Studies University, Tianjin, China; Tianjin Institute for International Development Studies, Tianjin, China; School of International Business, Tianjin Foreign Studies University, Tianjin, China

Shuyao WU

Tianjin, China; School of International Business, Tianjin Foreign Studies University, Tianjin, China

ABSTRACT: The enterprise's open knowledge creation is characterized by knowledge-share promotion and system's value maximization. The Organization which is suitable for enterprises developing the open knowledge creation should possess characteristics like knowledge-share strategy, transverse oblate network organizations and shared organization culture. Furthermore, it can reflect the special mechanisms of its knowledge division coordination.

KEYWORD: Open Knowledge Creation, Organization factor, Organization model, Shared Mental Model

1 INTRODUCTION

Enterprise independent innovation is the important embodiment of the national innovation ability, and open knowledge creation helps an enterprise to create a sustainable road of independent innovation. Enterprise is an organization system that coordinates the division of labor[1], promotes knowledge application and fosters creation. Enterprise organization model depends on the characteristics of the enterprise organization factors, and organization enterprise's reflect factors the coordination mechanism and organization model[2]. Open knowledge creation emphasizes knowledge sharing and maximization of the system value, and the coordination mechanism facilitates sharing and the generation of new knowledge. This article discusses suitable organization model for enterprise open knowledge creation.

2 ENTERPRISE KNOWLEDGE CREATION

2.1 Enterprise shared mental model and knowledge creation

Enterprise knowledge creation is a process of adding enterprise value in a continuous way, in which enterprise shared mental model centers on development goals and strategies, providing mutual knowledge and coordinates enterprise knowledge division of labor. By using the existing stock of knowledge, enterprise knowledge creation

establishes new connections continuously among all kinds of knowledge elements and thus produce new knowledge[3].

Enterprise shared mental model is a cognitive system and thinking tool to provide enterprises with shared knowledge and harmony enterprise division of labor. Taking "mechanism" linear world outlook as its cognition premise, enterprise shared mental model is a non-articulate shared mental model, while with "systems" nonlinear world outlook for cognition premise, enterprise shared mental model belongs to open shared mental model[4]. With this correspondence, the enterprise organization strategy, organizational structure, organizational culture, the knowledge in the organization and information flow modes will show different tendency. Open shared mental model's assumption regarding to external environment is uncertain, and the assumption of decision subject is limited rational. At the same time, the non-articulate shared mental model's assumption of environment characteristics is conclusive, and the assumption of decision subject is completely rational [5].

2.2 Characteristics of enterprise open knowledge creation

Open knowledge creation advocates the two-way interactions and sharing of knowledge information between inside and outside of the system, acquiring values from the new knowledge and promoting the maximization of the system value.

This study is the periodical achievements of' the study on the employment problems for university', which belongs to MOE (Ministry of Education in China) Project of Humanities and Social Sciences.

The sharing of knowledge information promotes the generation of new knowledge. Open knowledge creation tends to make the knowledge information conduct selectively two-way interactions, within and organization, including knowledge flow breaks through the enterprise boundary, although sometimes in the process of value chain segmentation, enterprise's knowledge spills over automatically, rather than consciously. Organization form's response is a new organization type with modular, which can guarantee value chain to be intersected reasonably, and at the same time could help protect the core knowledge asset of the leading enterprise. Knowledge sharing caused by two-way interaction of knowledge information can increase the possibility of producing new knowledge, and then induces production and prosperity of knowledge diversity in a broader range of scope, as a result, it could create a larger and systemic win-win situation related to economic field[6].

Open knowledge creation's profound insight knowledge acquisition is an endless, revising process. Knowledge could convert from one paradigm to another delete kind. exist tower-type There conversions of technology, products and services. The conversion contains the damage to existing knowledge assets so as to cause value extraction gradually dried up[6]. Such as Eastman Kodak, Kodak company is not only the developer of the film, but also the first inventor of the digital camera in 1975. Although Kodak first caught the "image digitization" message, its decision makers didn't grasp the preemptive opportunity to take the product of technology transformation, which made the company-big MAC collapse in the front of "digital imaging era" that was initiated by itself. Knowledge creation is based on accumulation, but it is not necessarily always accumulated[6]. Innovation is sometimes a creative destruction, forcing the enterprise to give up the existing knowledge assets. Continuous knowledge creation can make the enterprise achieve value in a higher level of knowledge system, such as the innovations in Apple.

Open knowledge creation adapts to a more agile thinking mode, and the enterprise coordinates cognition by open shared mental model and practices the concept of learning to forget one side. It should be bold in giving up the old knowledge assets in the process of obtaining the new ones. For enterprises, this kind of perception constitutes the basis of conducting open knowledge creation and independent innovation, which forms the new organization model and gradually displays the organization ability of keeping enterprise's balanced development in the dynamic situation.

3 SUITABLE ORGANIZAIONAL MODEL FOR OPEN KNOELEDGE CREATION

The coordination mechanism of enterprise's open knowledge creation is based on knowledge activities development[6]. The organization which is suitable for enterprises developing the open knowledge creation should possess characteristics like knowledge share strategy, transverse oblate network organizations and shared organization culture[3].

3.1 Knowledge Share strategy

The Essence of Enterprise strategy is position setting and policy making. Enterprise knowledge strategy devotes its efforts to set the target of the knowledge activity; outline the particular policy choices to achieve the target and guide enterprise knowledge activity.

Under the leading of shared mental model, the knowledge paradigm that enterprises deeply discerns products will be replaced technology and inevitability as time goes by. That is, when the knowledge accumulation goes beyond the particular the knowledge will depreciate, even completely loose its value. For example, when the U disk was brought to market, Floppy Disk entirely lost its market. Adhering to the paradigmatic view of knowledge, enterprises prefer choosing knowledge share strategy. Open knowledge creation purchase the value from sustainable knowledge creation and a higher level knowledge systems. Open knowledge creation can also discern the complementarities among different knowledge and increasing returns of knowledge returns.

3.2 Transverse oblate network organizations

Organizations are the enterprise's framework of knowledge coordination, determining the mode and track of enterprise information flow. Knowledge information flow mode can reflect the real characteristics of organizations[8].

Appropriating with open knowledge creation, organizations are transverse oblate network promoting organizations, whose essence is knowledge communication and sharing[9], reducing information cost and coordination cost. Based on perfecting formal rules, organizing coordination leans more on flexible coordination of the informal rules, such as values, tacit and etc[10]. Because that different units can not possess the complete information and knowledge, only communicating and complimenting, different units' dispersing information can establish the optimal decision. Policymakers are limit rational, so they need to depend on other knowledge unit to extend reason. Effective information communication is the primary condition of high-efficient decision-making. Transverse oblate network organizations are more favorable for enterprises' open knowledge creation and the establishment of enterprises knowledge's new connection.

3.3 Shared organization culture

both information attribute knowledge attribute. Characteristic of organization culture can be reflected by the range of knowledge share. Organization culture is the sharing knowledge in organizations. Information exchange among enterprises with different cultural background will interrupt[6]. Matching open knowledge creation, the of organization information dispersion characterized by share, tending to full share in the organization and selective share among organizations. The information flow is primarily as an interactive process.

At the same time, organization culture has knowledge attribute. It is an important component of enterprises' knowledge assets[11], although unlike which is obviously regarded as technology, enterprise knowledge assets and easy for people to accept. Corporate culture is centered on the value, playing the role in the way of tacit knowledge in organizational process, organizational organizational norms, organizational behavior and relationships[12]. Corporate human constitutes a part of the enterprise shared mental model. Suitable for open knowledge creation, organization culture has characteristics of sharing and it can benefit two-way interaction and share of information knowledge. The interpersonal organization is relationship in equality personalization and network. An organizational coordination mechanism is under the interaction of informal rules such as values, trust, etc., formal rules, like market and quasi-market.

4 CONCLUSION

Enterprise is an organization system of knowledge

application and creation. The Organization which is suitable for enterprises developing the open knowledge creation should possess characteristics like knowledge share strategy, transverse oblate network organizations and shared organization culture. Characterized by flexibility and adaptability, flexible organization is more favorable for knowledge sharing and innovation, and can support the enterprise promoting the capability of independent innovation in a lasting and extensive way.

REFERENCES

- [1] Grant, R.M. 1996. Toward a knowledge-based theory of the firm. *Strategic Management Journal*, 17: 109-122.
- [2] He Zili&Ge lihua. 2008. An analysis of company knowledge creation and mental model. *Journal of Tianjin Normal University*. (1):27-32 (in Chinese).
- [3] GE Lihua. 2008. An analysis of company knowledge creation based on shared mental model. *Science of Science and Management*. (6): 94-97 (in Chinese).
- [4] Yang Guanqiong. 2003. Nonlinear mental model the foundation of alchemy of management during uncertainty time. *Economic Management*. (1):45-47(in Chinese).
- [5] Rowan Gibson.2002.Rethinking the future: rethinking business principles, competition, control. *Economy & Management Press.* (in Chinese).Beijing: China.
- [6] Boisot M.H.2005. Knowledge assets -securing competitive advantage in the information economy. *Shanghai Century Publishing Group& Shanghai People's Press* (in Chinese). Shanghai: China.
- [7] Becker, G.S. & Murphy K. M.1992. The division of labor, coordination costs, and knowledge. *Quarterly Journal of Economics*. (4):1137-1160.
- [8] Masahiko Aoki.2001. Comparative institutional analysis. Shanghai Far East Press.(in Chinese).Shanghai: China
- [9] Nonaka, I.1991The knowledge creating company. *Havard Business Review*. (11-12):96-104.
- [10] Denzau, A.T. & D. C. North.1994.Shared mental models: ideologies and institutions. *Kyklos*: 47(1): 3-31.
- [11] Bart Nooteboom.2002.Elements of a cognitive theory of the form center discussion paper No.2005-46.
- [12] Leonard, D. & Sensiper, S.1998. The role of tacit knowledge in group innovation. *California Management Review.* 40(3):112-132.