Knowledge management in tourism

Eva Šimková

1University of Hradec Kralove, Faculty of Education

Key words: knowledge, knowledge management, knowledge flows, tourism

Abstract:

The study and practice of knowledge management has grown rapidly since the 90s, driven by social, economic, and technological trends. Tourism has been slow in adopting this approach due to not only a lack of gearing between researchers and tourism, but also to a ‘‘hostile’’ knowledge adoption environment. In response to these facts models for knowledge management application have been gradually created with the aim to increase the competitiveness and to improve the innovative processes in tourism.

1 Introduction

The generation and use of new knowledge to feed innovation and product development is critical for the competitiveness of both tourism destinations and enterprises. While the pivotal role of knowledge as a competitive tool has long been recognized, the emergence of knowledge management as an academic field is much more recent, dating from the 80s.

As a competitive tool, the essentials of the process involve identifying relevant knowledge and capturing it, transferring and sharing it, and ensuring that organizations are engineered to optimize flows and to manage them efficiently. This demands an open decentralized environment where individuals are empowered to view knowledge as a resource to be shared and not hoarded. The knowledge of the employees who are able when using it generates new ideas is fundamental for gaining competitive advantage for the enterprise.

Knowledge management plays an important part in tourism, as well. However, tourism has been slow in adopting this approach due to not only a lack of gearing between researchers and tourism, but also lacking information in the field of environmental protection. In response to these facts models for knowledge management application in tourism practice have been gradually created on the level of tourism destination and also on the level of tourism subjects.

2 Knowledge management and tourism

Knowledge management addresses the critical issue of organizational adaptation, survival, and competitiveness in the face of increasingly discontinuous environmental change. For tourism, this environmental change is evident in both the supply environment and the changing nature of consumer behavior. Destinations are constantly adapting to changing situations on the market. It requires continuous environmental scanning, understanding of customer behaviour and prevention of lack or overload of information. It means higher difficulty level of the work with knowledge by means of knowledge management.
The importance of knowledge in tourism and the need of the management has been documented by a number of projects. Examples can be project FATTORE K (K as knowledge, www.fattorekappa.it), or concept of eTourism (www.caribbean.org), which focus on investing in intangible assets (knowledge) in the sphere of marketing, research and education.

3 Base for creation of knowledge management system in tourism

For the creation of functioning knowledge management system in the conditions of tourism answering three following questions is essential: WHAT IS knowledge management from the point of view of enterprise, WHY to be interested in knowledge management and why to use it, and HOW to apply knowledge management into practice (see scheme Nr. 1).

Scheme Nr. 1: Three basic questions for creation of functioning knowledge management system.

WHAT IS IT?

KM

WHY USE IT? HOW IMPLEMENT IT?

Resource: author’s own elaboration

3.1 What is knowledge management?

Knowledge management is being handled by many publications, which define it predominantly as „a set of processes of generating, identification, gathering, processing and sharing of individual and collective knowledge with employment of information technologies“ (Ciampi, 2007). According to OECD (2001) „generating, spreading and using of knowledge has become a vital factor for economic growth and changes, that are essential for innovative and knowledge economics“. Besides knowledge management definitions there is a variety of approaches related to knowledge classification:

- Stewart (1997) distinguishes between cognitive knowledge (know what), skills (know how), system understanding (know why).
- Ruggles (1997) divides knowledge into process, factual, catalogue and socio-cultural.
- Carlsen and Skaret (1998) describe individual and collective knowledge.

The most frequently used knowledge classification was provided by Polanyi (1967), who distinguishes between implicit and explicit knowledge:

- Implicit (tacit) knowledge is personalized knowledge resulting from personal experience. It is difficult to codify and transfer them from experienced workers to recruits. It is knowledge hidden in human mind which is decisive enterprise power forming basis of knowledge management. Tourism organizations and enterprise subjects are usually rich in tacit resources, however, they are often being ignored due to their complexity. The reason is that individuals dispose of tacit knowledge but, on the other hand, they are not willing to share the knowledge. Moreover, according to the definition the knowledge can’t be subject to broader discussion which results in difficult management of tacit knowledge and its owners.
Explicit knowledge is contrary to tacit knowledge transferable and easy to codify. That is why it is in the focus of an organization and it can be found in the form of documents, database, items and customer suggestions expressed materially and stored in e.g. enterprise IS. In spite of the fact that estimations of explicit knowledge reach only 10% (Ahmed et al 2002), it is knowledge capital owned by the organization independent from employees. Explicit knowledge offers necessary infrastructure which is the reason why the employees stay in the organization.

Knowledge classification mentioned represents an important dimension for knowledge management application in tourism, there is the need to identify, capture and convert tacit to explicit in order to transform it into capabilities for the tourism industry.

Capturing knowledge includes definition of internal (employees) and external (customers, counselors, competition, etc.) suppliers of knowledge for organization or destination. Tacit knowledge acquisition is "a process by which the expert’s thoughts and experiences are captured“ (Awad, Ghaziri 2004, p. 123) using a variety of techniques.

Codifying knowledge ensures knowledge deposit for efficient transfer, i.e. the correct information should reach the people concerned in time. According to Cooper (2006, p. 54) “yet the process of codification is relatively well defined and follows three set stages, each designed to reduce redundant or obsolete sources. One, strategic objectives of the knowledge management project are identified; two, the sources that address these objectives are identified; and, three, the knowledge is assessed and codified using appropriate techniques“. These techniques in the field of tourism include above all the data profiting from anticipation and solving of future circumstances.

As to knowledge flows, the literature provides insights in understanding the transfer process. Of course, transfer can happen informally. But knowledge management does not leave it to chance and creates a systematic and disciplined approach where the key element is the imperative of transmission plus absorption (Davenport, Prusak 1998). In four ways transfer occurs through the interaction of individuals and groups (Nonaka 1991 in Cooper 2006, p. 55):

1. tacit to tacit, achieved through a process of socialization via meetings and team discussions,
2. tacit to explicit, externalized through brainstorming,
3. explicit to explicit, by moving knowledge around a network from one organization to another, which is relevant for destinations,
4. explicit to tacit, taking explicit knowledge such as a report and generating new ideas.

Besides general knowledge classification also thematic focus is important for practical use. In case of tourism organizations the knowledge concerns:

- locality value (implicit knowledge can be e.g. genius loci – sense of place; explicit knowledge represents above all local infrastructure standard),
- marketing applications (knowledge of customer motivation and behaviour, tools of promotion and customer communication etc.),
- techniques of problem solving and decision making (generally known as „best practices“ – successful problem solving).

3.2 Why use knowledge management?

Knowledge management has been growing in importance due to many influences. Besides the globalization (hyper competence) there is above all personal and professional influence
According to Livi (2008) the result of information technologies employment gradually so-called e-intermediaries will emerge, who will be able to operate as browsers, information brokers (allowing connection to information resources including primary contacts between client and enterprise), web agencies (enable online choice and purchase) and social nets of user groups with information and opinion interchange.

The aim of knowledge management is increase in competitiveness and improvement in enterprise ability to response to the changes of environment by means of informed and responsible decisions based on knowledge related to the skill of situation judgment and using rule of thumb. Such decision making helps reduce knowledge gap between what the enterprise must know (respectively must do) and what it knows (resp. can do) – see scheme Nr. 2.

Scheme Nr. 2: Knowledge differentiation

<table>
<thead>
<tr>
<th>WHAT enterprise MUST KNOW</th>
<th>WHAT enterprise MUST DO</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHAT enterprise KNOWS</td>
<td>WHAT enterprise CAN DO</td>
</tr>
</tbody>
</table>


It is necessary to monitor benefits of knowledge management system generated. From the point of view of knowledge management following declared benefits are incentive (www.ecotrans.org):

- forming partnerships, networks and clusters
- creating duality products and services
- increasing performance and outputs
- demonstrating innovative capability
- working with changing technology
- developing adaptive strategies in the face of globalization and global change
- understanding how to work in a more sustainable way.

3.3 How implement knowledge management?

Before the system of knowledge management comes into practice it is indispensable to be aware of the myths with negative effects on project and development of knowledge management system (www.cognotix.com). The most common myths are following:

- Knowledge management means first of all technologies.
- Knowledge management is expensive.
- Knowledge management is convenient only for huge enterprises.

The myths affect application of knowledge management systems into practice, where the basic step is formulation of so-called knowledge community. In the centre of the community there are individuals interested in the work. The realization itself consists of following steps:

Step 1: **Formulation of the purpose and intention of knowledge management** (creation of competitive advantage).
Step 2: **Description of knowledge type and organization** (declarative knowledge, procedure knowledge, source of knowledge, forms of cooperation and approach to knowledge stocks).

Step 3: **Proposal of knowledge representation and relation to decision making process.**

Step 4: **Proposal of technologies** (technologies for information detection and acquisition, storing, communication, group cooperation etc.).

Step 5: **Creation of efficient knowledge management system** (e.g. based on principle of experience acquisition from providers and customers in tourism – see scheme Nr. 3).

**Scheme Nr. 3: Tourism knowledge management system**

For generating of efficient knowledge management system and applying it into practice it is necessary for the subjects involved to define the level of knowledge management application. In case knowledge management is to be used on the level of destination the procedure should start from the lowest level, i.e. from the level of enterprise where practical opinions are frequent (see scheme Nr. 4).

**Scheme Nr. 4: Learning Region Pyramid**

**Resource:** Author’s own elaboration with the help of source [www.ecotrans.org](http://www.ecotrans.org)
4 Conclusion

Any model of knowledge management should correspond with and at the same time contribute to achieving the objectives of the enterprise. It requires clear distinction of knowledge relevant for promotion of these objectives, how to acquire, formulate, upgrade and handle them. Subjects involved in tourism should make clear their approach to knowledge management and declare their way of comprehension of the problem, i.e. if knowledge management is integral element of strategy of the learning enterprise or if it is the form of experience advancement in the field of information management. In case this objective is achieved, the indispensable part of knowledge management is definition of risks relating to knowledge management system and how to reduce them. Only in this way knowledge can be efficiently applied as the basis of competence advantage.

References:

[15] www.fattorekappa.it
[16] www.caribbean.org
[17] www.ecotrans.org
[18] www.cognotix.com

Author(s):

Eva Šimková, Ing., Ph.D.
University of Hradec Kralove, Faculty of Education
Rokitanskeho 62, Hradec Kralove
Czech Republic
eva.simkova@uhk.cz