

“Vision and Mission of Rubber Industries towards Knowledge Management in Thailand”

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Abstract: *The Rubber Industry in Thailand currently drives the same business steps as they did decades ago. In order to handle with the dynamically expanding modern business world, the manufacturers need to incorporate Knowledge Management in order to produce efficient products that can compete in today's cutthroat business world. The research questions are set out to answer:*

In order to answer the research question, intensive research on knowledge management and its benefits were conducted through the use of secondary recourses such as the Internet and published and unpublished data. Then, a questionnaire was distributed among a sample of 30 managers from the rubber industry during an exhibition held in Thailand. This questionnaire served to show the extent to which current manufacturers of rubber industries integrate knowledge management in their production operations.

The results showed that only 40-45% of businesses acknowledge and value the importance of knowledge and reward employees who share it. As low as 44% said they have an open-door policy for free flow of information. Yet, in order to implement knowledge management successfully and improve productivity in practice, the rubber industry needs to increase emphasis on knowledge management.

The recommendations proposed after the analysis of the findings from the questionnaire and both analysis included: Promoting and adopting innovative techniques and methods to improve quality and productivity. Recognizing and promoting people who learn, teach, and share, at the same time penalizing those who don't. Constantly keeping the content in a Knowledge Program up to date, as well as organizing the information to be able to identify and disseminate knowledge from a sea of information effectively.

1. Introduction

In today's hyper-competitive market, doing what you have always done is no recipe for sustainable success. Innovation is the key to business survival. The domain of randomness is expanding in all the environments of business, shaping threats of opportunities for individuals and organizations. In this dynamic world adapting to the environment is what presents success. Hence, knowledge management ensures a multitude of benefits for the business enterprise, including faster innovations of new products, substantial reduction in costs and enhanced employee morale and satisfactions. This research focuses on how increased emphasis from manufacturers towards knowledge management increases productivity Thailand's rubber industries.

The approach towards business has been based on experience and gut feeling with little emphasis on knowledge management. Yet I couldn't see how the biggest rubber corporations like Goodyear, which produce products that are precise and fit every demand of the consumer in the most efficient way, could produce their products without knowledge management. Hence, this research aims to place value on knowledge management in terms of productivity.

In order for knowledge management to have any real impact on the way in which the business is being done, it has got to be about making radical changes in the way knowledge is perceived and utilized. It needs to be about creating new knowledge, applying knowledge and, in the words of Peter F. Drucker, “making it productive”. This is valuable for manufacturers because it provides the best practices, store them and send them throughout the organization whenever required.

2. Methodology:

This chapter describes the philosophical assumptions and also the approaches being used to support this research study. The common philosophical assumptions will be reviewed and presented, plus the positivism paradigm with deductive process will be identified for the framework of the research. In addition, this chapter provides the research method employed for the study including strategies, instruments, and collection of and analysis methods in order to extricate research questions with respect to the research.

3. Rubber Industry in Thailand

3.1. Importance of Rubber industry in Thailand’s GDP

Thailand has abundance of natural resources and stands tall as number one producer and exporter of natural rubber⁹. Rubber is a renewable resource and rubber wood is becoming a popular substitute to hardwood timber, since society is actively concerned about protecting the environment. According to Rubber Institute of Thailand (2014) about 2.9 million metric tons materials from rubber is produced annually in Thailand.

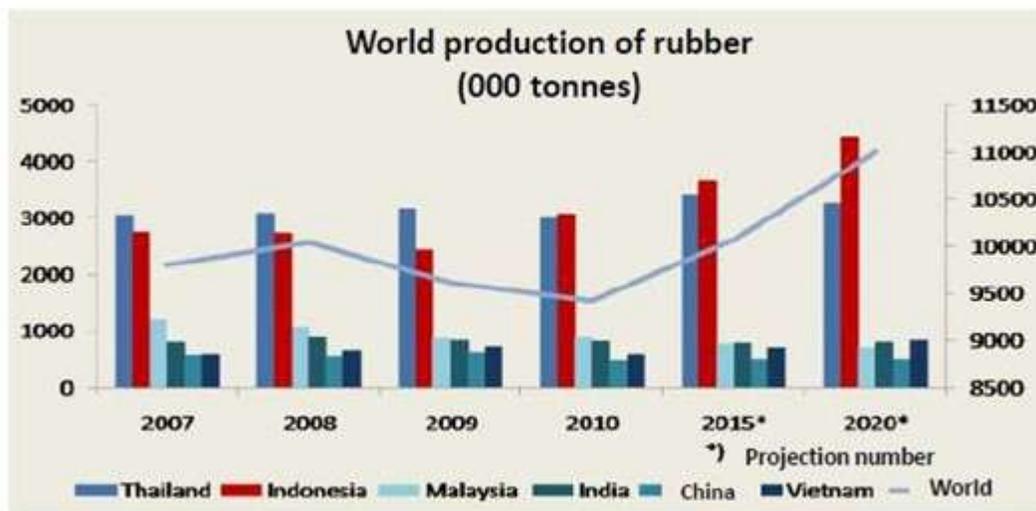


Fig. 1.1, Source: <http://www.bkpm.go.id/>

Thailand has been dominating rubber industry and exports worldwide for a very long period of time but recent research shows that it is going to face tough competition from its biggest competitor in coming years due to heavy investment and government initiatives in Indonesia.¹⁰

Thai government has been supporting rubber industry for a long time but unfortunately the

producers in rubber industry are still using the same methods and business practices in Thailand since many years.¹¹

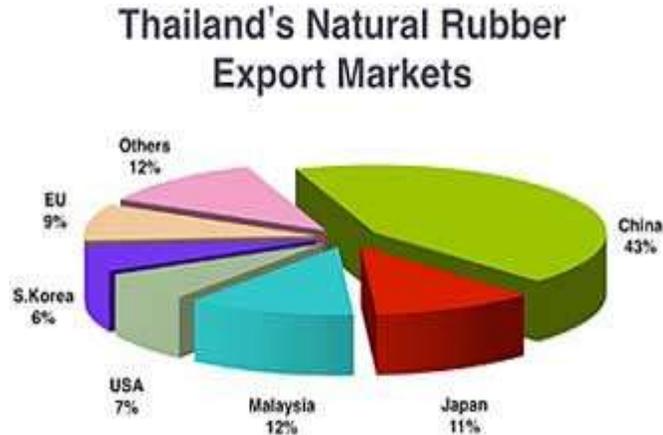


Fig. 1.2. Source: Rubber Institute of Thailand Feb 29, 2012

Due to the expansion of ASEAN and free trade with in South East Asia, it is important for rubber producers (Thailand) to improve the business efficiency and productivity to sustain their current position in the world market.

Hence, having understanding of managing knowledge will definitely help to boost Thai rubber industry.

4. Recommendations

With the expected depletion of highly knowledgeable workers, knowledge management will assume more importance in the coming years. It is essential that manufacturers capture and preserve the knowledge of senior colleagues so that younger manufacturers can make immediate use of it and improve upon it to make the business run even more smoothly and more efficiently. However, to implement knowledge management successfully in practice, following must be kept in mind.

1) Promote and adopt innovative techniques and methods to improve quality and productivity.

Being able to acquire knowledge efficiently and utilizing it is rooted in being able to adopt innovative techniques and methods that improve quality and productivity. Hence a business should effectively use information technology to capture as much information as is possible. For this purpose heavy capital investments for IT infrastructure should be provided for. Manufacturers should also frequently participate in International Trade Fairs and exhibitions to know about latest methods, market trends and technology that are more efficient and cost effective, as evident in the PEST analysis.

2) Recognize and promote people who learn, teach and share. At the same time, penalize those who don't.

It is essential for the manufacturers to provide a conducive environment for the adoption of knowledge management practices. So, the business needs to find ways to reinforce and reward knowledge sharing, which is a main factor for increasing the morale of the employees and motivating

them²³. And the business should aim to achieve an Organizational culture that encourages knowledge sharing rather than knowledge hoarding.

3) The content in a Knowledge Management program should be constantly updated, because just like the physical assets, the value of knowledge can decay over time.

Acquiring knowledge is only one part of knowledge management, keeping it up to date and useful at the time of need is another important factor that the manufacturers need to make sure its value doesn't diminish over time²⁴, even though this is extremely time consuming and may be expensive.²⁵ And for this all to be functional, the knowledge management resources must be accessible in every department and all remote locations, 24 hours a day.

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5) A knowledge management program must be able to identify and disseminate knowledge from a sea of information.

Knowledge is everywhere, unless it is categorized and accessible, it is useless. The Internet itself is a great example, there is so much information, but because it is hard to encapsulate, it doesn't count as knowledge until it is organized and put into perspective. Similarly knowledge gained by the business must be organized in a way that makes it easy to identify and disseminate knowledge from the sea of information. In order to achieve this, the manufacturers need to adopt a well thought of system of succession planning so that whole of the knowledge pool of the organization is retained and used in the organization, because all the information isn't knowledge and the quantity rarely equals quality.

7. Conclusion

At present, the researched shows that manufacturers don't put much emphasis on knowledge management; yet, the benefits and advantages of knowledge management towards increasing productivity especially in the advancing modern world make it a requirement for every business, since knowledge management implies continuous change and addresses future threats and unique opportunities.

Currently, every business should aim to improve its emphasis on knowledge management to increase its productivity, and this can be accomplished by the suggestions above. However, it is necessary for the business to continuously find new ways to implement knowledge management in order to keep up with the fast advancing world.

So, it can be safely concluded that to survive in the modern competitive world, manufacturers will have to build knowledge, replenish it and disperse so that this knowledge can be put to best use for the accomplishment of their goals.

This research shows the current state of businesses operations towards knowledge management, proves the advantages and goals of knowledge management, and provides suggestions to use knowledge management in order benefit not only the Rubber Industry in Thailand, but also all types of businesses.

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