THE IMPORTANCE OF TACIT KNOWLEDGE IN TRAINING THE EMPLOYEES TO ACCES THE EXECUTIVE POSITIONS IN THE BUSINESS ORGANIZATION

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Abstract
The aim of the present paper is to underline the most important definitions regarding some key concepts like: knowledge management or tacit dimension, to pinpoint its implications in the global competition of the business and to explain which is the importance of the tacit knowledge in the formation of the employees to reach the executive positions in a business organization. This paper focus as well on the possibilities of training within the company and emphasize which are the ways to capture the tacit knowledge from the individuals and use it for the organizational welfare and for the personal development that brings promotion to another level, called ´C´ level.

Key words: knowledge, management, tacit dimension, training, executives.

JEL classification: J 24, M 12, M 53, M 51

I. Introduction
The main objective of this paper is to point the concept of knowledge management and its implications in the global competition of the business and as well to

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explain the importance of tacit knowledge in the formation of the employees in accessing
the executive positions in a business organization.

We choose this theme most of all because, we remarked the importance of
knowledge management in everyday life and therefore the indissoluble contribution in the
demarche and success of business organizations. Probably we will never forget, that,
among hundred materials that reached in our hands, one of them, and of course, other
copies or takeovers of it, in which was write: we know more than we can tell. To call it
moment inspiration or just a really clever affirmation, we don’t know for sure but,
definitively, made us choose to talk about knowledge management thru: tacit and explicit
form and thereby the implication of tacit dimension in reaching an executive position in
an economic entity.

Going more deeply our final goal will be accomplished by: sorting the most
relevant definition of knowledge management from an amount of possibilities, pinpoint
the difference between tangible (explicit) and intangible (tacit) knowledge, distinguish the
executive positions in an organization, underline the most important training methods
within the organization and highlighting the implications of the tacit dimension in the
training to become an executive.

Thereby, the first part of the paper explain the concept of knowledge management
and shows the classification of knowledge proposed by the experts in this field, the second
part of the paper presents the executive position in a company going from traditional one
to the one specific for some kind of organizational culture and underline the most
recognized ways to train the employees, while the third part of the present paper
emphasize the implication of the tacit knowledge in the training of the employees to
access the executive positions.

Nowadays, more than ever, the importance of knowledge is pinpointed in the
global competition of the business organization. There are many terminologies that can
fruitful explain this concept, but going more deeply to the substrate of this amount of
possibilities, it can be remarked that to define this term is not an easy task.

The creation process it is the final goal of each organization, even, most of the
times it’s an unforeseeable process that is impossible to be predicted. Thru the creation
and utilization of knowledge any kind of organization, has the capability to be called
dynamic from this point of view.
Taking into account that the most important aim of the present paper spins around
the business organization, knowledge is far one of the most relevant key for the
organization success and therefore a source of competitive advantage and its importance
is widely accepted nowadays. Therefore, a lot of individuals that occupies the executive
positions admit that knowledge creation has a significant role in their companies. The
orientation towards knowledge management starts in the 90’, when, nowadays companies
were urged to take into account the knowledge creation as a source of success, due to the
fact that the huge benefit promised by knowledge management it is innovation.

This dynamic knowledge is, nowadays, an indissoluble source of competitive
advantage and of course, the risks appear once with the success, risks for the organization
to be less competitive. That is why the focus is in creating quality and quantity, better than
the competitors, because as Sun Tzu said: If you know the enemy and know yourself, your
victory will not stand in doubt (Sun Tzu, The Art of War).

The question that comes with the conception of the present paper is: how much is
important the executive level in managing this knowledge process and therefore which are
the implications of tacit knowledge in the training and formation of the employees to
reach those executive positions? Thus we will try to conceive some answers that underline
the indissoluble connection between the way that tacit knowledge are absorbed from
individuals and codified and how this activity is reflected in the formation of the
employees and its development to become executive.

II. K.M– Choosing the Best Definitions among Hundred
Possibilities – Research Issues

It starts to be hard to make a good choose, of the best points of view among the
time, in this area, because the possibility that comes up is spinning in a huge diversity.
Many researchers in the area of knowledge management seem to think that the field
spring into existence, just a few years ago, which can be considered partially truth. Indeed
after 90’, it was a more fruitful period of contribution to what we call today: the current
state of knowledge of this field. This is demonstrated by a delightful attribution of the
definition of knowledge to Nonaka, when, in fact, such a definition, though not in
precisely the same words, was provided by Plato in the Socratic dialogues (Despres,
2000). In the same time, Charles Despres gives a considerable definition to the concept of
knowledge management and in his view: Knowledge Management represents an evolution of the move toward personal and intellectual freedom that started with the age of enlightenment and reason over 200 years ago.

The primal and most popular association of this term goes to the side of the scientific knowledge, which mostly arises from the academic research, built thru the existence of methods and norms. The second association is given by the experience and the know-how that an individual can possess; this can lead to the acknowledgement of the proverb: *the right man at the right place*. These properties of an experienced person can be associated with a set of rules coming from inside: feelings, skills or above experience and as Polanyi said: we can know more than we can tell (Polanyi, 2009).

Knowledge management is totalizing knowledge and experiences from more than one domain therefore the domains that count and have an implication are: management, business administration, information sciences or information systems and of course during the time this area seems to be filled up thru new domains like: the contribution of computer science, public policy or public health, all of these being the one that brings continuous improvement of the organization performance thru the competitive advantage, organizational learning or innovation.

Knowledge management is a multidisciplinary field of study, due to the fact that during the time were published a number of definitions, that easily exceed one hundred, about what this field can mean and how many domains are gathered thru its existence. However, the field of knowledge management does suffer from the *Three Blind Men and an Elephant*. In fact, there are likely more than three distinct perspective of KM, and each leads to a different extrapolation and a different definition (Dalkir et al., 2011).

Related to this concept, from a business perspective, knowledge management is defined by (Grey, 1996) like: a collaborative and integrated approach to the creation, capture, organization, access and use of an enterprise intellectual asset. There is very important to not confuse knowledge management with the intellectual capital, even to apply the principles of intellectual capital and knowledge management is just to increase the performance and as (Brooking, 1999) said that: Finally knowledge management is the process by which we manage human centered assets … Also knowledge management is not the same as intellectual capital. Many people have confused the two for some reason, but the word management in knowledge management definitively suggests a process, whereas intellectual capital is an entity, an asset, not a process. Therefore, the function of
Knowledge management is to guard and grow knowledge owned by individuals, and where is possible, transfer the asset into a form where it can be more readily shared by other employees in the company.

Knowledge management is the idea under which information is turned into actionable knowledge and made available readily in an operational form to the people who can apply it (Information Week, September 1, 2003).

In general, after individuals gather information, they interpret it from their experience, skills and competences. So, their interpretations could be different from each to the other. Possibly, for those who have insufficient competences, information still remains as information. If the current KM language and practices are not working, then we better find a way to make them work, or invent new ones (Stankosky, 2005). There are huge benefits of using knowledge management, this benefits includes the flexibility of organizations to respond to the changing that appears in the market and as well the flexibility to own the talent of being innovative. Tacking this into account we can affirm that the welfare of a business depends, nowadays, more than ever on using the knowledge management creation with the cleverly of a huge competitive advantage.

Many knowledge management efforts have been largely concerned with capturing, codifying, and sharing the knowledge held by people in organizations. Knowledge management represents a deliberate and systematic approach to ensure the full utilization of the organization’s knowledge base, coupled with the potential of individual skills, competencies, thoughts, innovations and ideas to create a more efficient and effective organization (Dalkir et al., 2011). This is far the most important goal that an organization has to reach but it’s a hard task, so even, the goal will not be completely accomplished, the efforts of trying are a step more in front of our competitors.

### III. About The Tacit Dimension

Regarding to the delightful classification given by Nonaka and some researchers in the field of knowledge management, we will find out the existence of two dimensions of the knowledge: knowledge is both explicit and tacit. Some knowledge can be put on paper, formulated in sentences, or captured in drawings. Yet other kinds of knowledge are tied to the senses, skills in bodily movement, individual perception, physical experience, rules of thumb and intuition (Von Krogh et al, 2000). In these sense, riding the bike it was...
a good example, because there is not a set of rules that can underline how to ride the bike, and each of the individual that try to make it, it’s just following a snap set of rules that simply come from inside, probably from skills in bodily movement or intuition. For sure that none of us could explain how did he or she fall down from the bike, it has just simply happened.

Constantin Bratian (2011) affirm that: we are living in a world full of tangible things, from our home and office, tiny objects to the city buildings, bridges, buses, trains and airplanes… We are living also in a world full of intangible things, from the knowledge we learn in schools to the great discoveries of science. For many people the life equation is very simple: the more tangible one has, the more happiness she or he can get. From our point of view is a really good observation, considering that, for the individual day to day life, this is the only goal of his living, achieving the most tangible things and as soon as possible as better it is. One more time the welfare of an organization can suffer a lot if the main purpose of its activity is just achieving benefits, not matter the way this economical profit is made; Knowledge and intangible are a top strategic issue. It is vital for an organization if it wants to be competitive, sustainable and profitable (Mertins, 2003).

Clearly we have to focus on the idea that the individual are the most important category of assets that exist in an organization and that create, codify and manage knowledge; and that, as it will be shown below, they become important in dual way in the same time, because they meet the other shareholders that are the customers and most of the time the customer needs are tacit.

During the time Ikujiro Nonaka, which is considered one of the most prominent thinkers in the knowledge management, put the base of a consistent and remarkable theory that underline the dynamic of knowledge creation. He, obviously helped by his co-workers, structured this creation as a core of four ideas:

1. Knowledge creation at individual level, which goes thru explicit and tacit;
2. Knowledge conversion: socialization, externalization, combination and internalization;
3. Knowledge creation at organizational level, which is based on those four conversions;

Taking into account the knowledge creation at the individual level and Nonaka`s classification we can say that the explicit knowledge are the one which can be transposed in a formal speech and as well transmitted from an individual to another one.
On the other hand tacit knowledge which are the personal knowledge of individuals based on experience and other intangible factors such as beliefs, perspectives or a set of intangible values, can’t be transposed directly in a formal speech but can be converted. Moreover, as (Collins, 2010) underlines: tacit knowledge drives language, science, education, management, sport, bicycle riding, art and our relation to machines. From this we can understand one more time the organization need to transform those into explicit form, because they just create innovation and competitive advantage.

For capturing tacit knowledge from individuals or groups can be used three approaches, and in some cases, these approaches can be or not combined:

- Interviewing experts - structured interviews with experts is the most used technique to transform tacit knowledge into explicit forms essential. In many organizations, structured interviews are realized when scholars knowledgeable employees, are close to retirement. We want to underline the fact that not only in this case we need an interview to absorb the tacit, we mean, not only from the employees which are close to retirement leave from an organization, it-s often happening that the most knowledgeable employees, leave first, even they don-t have the age for retirement they leave prematurely.

- Learn from what is told to you – the interviewed expresses knowledge, than share and validate it in an explicit form. This form of knowledge acquisition requires, among other things, simulations, which are especially effective in the later stages of validation, refining and finalizing the process of capturing knowledge.

- Learning from observation – observation is an important tool that can provide a lot of information. Observing in silence is the best way to capture some features of a spontaneous process or a procedure.

Of course, there are others techniques for capturing the tacit knowledge from individuals and groups:

- Narrative stories - stories are another excellent way to capture and codify tacit knowledge. An organizational story involves a detailed account of the actions of managers, the interactions between employees or other events of the organization, which are transmitted informal within the company.

- Brainstorming or ad hoc sessions - these are sessions no longer than 30 minutes and that share ideas in an open, stimulating atmosphere. These sessions may take place during face-to-face meetings, or may be held by the IT help, e-mail, teleconferencing or chat.
We consider to be very relevant to underline the modalities in which the tacit knowledge can be captured from the individuals due to the fact that we need them to propose the implications that the knowledge thru its tacit dimension has on the training and formation of the employees, in their ways to become executives.

IV. The structure and tools of `C`-level

We talk and affirm in the content of our paper all of the time about the executive position, and here it comes the time to pinpoint in an explicit way the answer of the question: what does executive means? A shortly answer can be: a person responsible for an administration. Well, to understand the position of an individual who reaches the executive position in a business organization, we need more than this administrative coordinate. A wide view will consider an executive much more than an employee with an administrative role. Therefore, education, work experience, advancement, certifications or skills are just the core tools of what a `C` LEVEL individual has to own within this function.

The top of the executive levels in an organization is called `C` level that refers to the letters with whom starts each category of executive officers. These three traditional officers are: CEO- Chief Executive Officer, COO- Chief Operations Officer, CFO- Chief Financial Officer and are mostly find in the traditional organizations.

When we consider the bank, an insurance unit or any kind of financial services environment there are more than these three classes of officers. For example The Chief Administrative Officer or CAO, is responsible for administrative management of the corporations, no matter if they are public, private or governmental agency. The Chief Risk Officer or CFO has the duty of effective administration in an efficient way of the significant risks, not matter the type, be them: strategic, reputational, operational or financial risks. On the other hand the companies with a technological profile, including here the IT or telecommunication field, tend to have a Chief Technology Officer – CTO or a Chief Information Officer- CIO. Taking into account the companies whose profile is oriented to creativity and talent, including here the web designs entities or the films studios; we will find a Chief Creative Officer- CCO, officer that has to take care about the aspect or design of some products or services.
More than a half of the richest companies have a Chief Diversity Officer or CDO, this title and some of the one discussed above, are not mainly recognized as corporate officers, they are appropriate just for some organizational culture.

Some of the economical entities have a chairman and a chief executive officer in the top of executive rank, the second place been employed by a president and a chief operations officer. Regularly the ‘C’ level titles are over the vice-president ranks, but often it happens that C level officer have the title of a vice- president. In some European or Asian countries, there are two separate committees: a executive one which is presided by a CEO and a supervising committee presided by a chairman which is elected by the shareholders. Different persons own those two roles.

CEO- chief executive officer is the highest corporate executive officer of a corporation, in some cases, for example in a small business an executive chief can be chairman and president, but mostly this titles came separate and are owned by different person.

When an employer decides recruiting a person for a management/executive position at his company, he has available two ways: either to find the right person on their own, if he has a recruiting department or to appeal to an agency of executive search that could do this in place. There is no time to waste for a major organization when a management position is has to be cover, because a longer period of time means high losses.

Most of the time companies are habituated to look inside and not outside in searching for a successor. Therefore, shortly thru this paper, we try to take into account the tools offered by knowledge management thru its tacit dimension, for this ascension and we try to quantify the implications of tacit knowledge in this equation.

V. Usual Training Methods

The activity of formation thru the training targets the accumulation of a set of knowledge, abilities and skills, due to a transmission process of some information of practical and theoretical nature. In the same time, this transmission is connected to the achievement of some abilities that are specific to the accumulated information. If upon of time the concept of training was founded under the form of apprenticeship and in the same time was focused on the physical abilities, nowadays is definitely called in another way,
most of the times being founded under the form of personal development and is based on
the development of some muscles in the obtaining of special skills from this point of
view. The training tracks the development of the skills, capabilities and human
performance.

Therefore, to understand the concept of training is very important to see the
difference existing between: education and development. Otherwise we have to make the
distinction between the educational process (made in schools to obtain a wide job profile)
and the preparation or improvement made by the firms in own schools. In this way, the
professional training is divided in initial training and continuous training which demarche
is made thru other forms than the one specify for the traditional learning system. The
second one is further the initial formation and assures to the adults the development of
professional competence already acquired, or the acquirement of new competences.

The training helps an employee to be more efficient in a job; the development is
a prerequisite of his promotion while the education helps an individual to succeed in his
career, no matter his domain of activity. The courses of professional training can be:
courses organized by training providers; courses organized by employers within their own
(apprenticeship at work) and mostly during the function they have within the company;
internships and specialization in the country or abroad; other forms of training provided
by low

When we consider the preparation by the firms in their own schools, we can see
it as a process of enrichment, extension and systematic consolidation of the knowledge;
the second type of preparation- the continuous one helps an individual to be specialized in
certain function within the company or be qualified and promote in an executive function.

So the training can be defined as a an activity with educational profile which
take place in the idea to improve the employee performance in the function that he has in
the present and to be prepared for a another future job or position in the economic entity.

Most of the times, the employees are trained during the function they have in an
organization. This is the most popular or common way to train an employee. Even is
planned or not the hired person are learning thru the experience they have during the
function they serve and employee development should be integrated with work (Graber,
Rothwell, 2008). This kind of formation is made mostly by employees that already have
enough experience in the organization. During the Second World War in USA, it was
developed a special way of training in the function, the instructional training, which was
more appropriate for the preparation of the civil personal from the producing area of military equipment.

The stages of the training process can be distinguished in the consideration of levels. The first one is a kind of answer to the question: do we need formation thru training? So we try to identify our needs and analyze thru: the knowledge recognition and the skills analyze. The second level is the frame delineation and the establishment of the objectives and as well an action plan. The third stage is the training conduct that can be made thru: brainstorming, group exercise, case study, led discussions, demonstrations, lecture, role-play, simulations, and video presentations. The last level consists in the evaluation of the training.

Training techniques are the methods of learning that the trainer uses to transmit information and generate its impact on participants. The most common training techniques are: case study, role play, group problem solving and presentation. The employees can be trained as well by simulation, cooperation, behavioral experience, laboratory training or assisted instruction.

Knowledge is the sum of what an individual knows a complex of truths, principles and information. This sum influences the development of employee skills and attitudes to effectively meet the job requirements.

- Modalities and techniques of initial formation. For the professional preparation of the employees we can eight for the training methods at work (instruction on the job) were we can choose between: workplace instruction, post rotations or mentoring; either for methods of formation like classroom training (instruction out of the job) were we can choose between: lectures, participation in seminars and conferences, programmed learning, study case method, role play, simulation or group exercises.

- Modalities and techniques of continuous formation (professional development/professional perfection). Comparing with the first one this is a more complex process, which involves acquiring new knowledge and skills in the qualification that a person already possesses, or a multiple qualifications or retraining. Continuous training is more valuable for the executives who have to face new challenges, whether this challenges are external (new projects, a new role) or internal (restructuring, changing market structure) - but it is very important for other employees in the company eager for self-improvement, or that want to be promoted to an executive function. From the methods of continuous
professional training are recommended: temporary replacement of hierarchical superior, driving games and simulation, action learning, outdoor techniques.

We classify those methods in: initial and continuous due to the fact that we definitively have to identify which kind of methods we will use, this based on how much is the individual already trained, and which is his purpose within the company: a systematic consolidation of the knowledge or the qualification in a executive function. In our case, we are going to the second techniques, the continue formation one, due to the fact that we talk about the promotion within the company and so far the access to a `C` level.

**VI. Tacit Knowledge A Way to Reach The `C` Level?**

The dimension of tacit knowledge it-s based on the premise that: we know more than we can tell, these know being based on intangible factors as: beliefs, perspectives or values and suffering of the need to be quantified. The tacit knowledge needs to be captured from individuals, codified, transformed in explicit knowledge and managed, this is the duty of knowledge practitioners, knowledge engineers, knowledge officers and the environment where this take place is overcalled knowledge creating crew by Nonaka, and is referring to all the individuals engaged in knowledge creation within the company (Nonaka, 1995).

**Table 14: Knowledge Creating Crew**

<table>
<thead>
<tr>
<th>Knowledge practitioners</th>
<th>Front-line employees and line managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge engineers</td>
<td>Middle managers</td>
</tr>
<tr>
<td>Knowledge officers</td>
<td>Top managers</td>
</tr>
</tbody>
</table>

*Source – The knowledge – creating company, Nonaka, 1995*

Knowledge practitioners (knowledge operators and knowledge specialists) or front line employees are the one of whose responsibility is to accumulate and generate
explicit and tacit knowledge they use the hands but also the heads, on the other hand the
second level represented by knowledge engineers is responsible with the conversion from
tacit to explicit and conversely, thirdly the knowledge officers are responsible for
managing this process of knowledge creation. Those three categories of individuals from
the crew are the one that use the hands and the head, they are not symbolic analysts as
Reich (1991) mentioned and use this term for people that use their heads instead of hands.

Since we designed the present paper, the core idea was concentrating in
underlining the importance of tacit knowledge on the formation of a front line employee
or a middle manager to reach the "C" level in an economical entity, or in another words,
when we talk about a creating crew, the implication of tacit dimension in the ascension
from the knowledge practitioners or knowledge engineers rank to the knowledge officers rank.

From our point of view the tacit dimension of knowledge has a relevant impact
on the track to access a function in the "C" level in a business organization. We try to
underline the indissoluble implication that the tacit knowledge have in the training to
reach the executive level. In pointing our final separation we will use as terminology for
business organization the crew of creating knowledge because this is the goal of an
organization, to create knowledge and for the first line employee we go for knowledge
practitioners, the middle managers will be called knowledge engineers, and the top
managers we will consider as knowledge officers. This is as we expose above the
terminology used by Nonaka.

Taking everything into account we try to expose the main implications that we
found to be relevant of the tacit knowledge in the training demarche:
- the tacit knowledge that the knowledge practitioners accumulate and generate
  within the interviews they take or questionnaires they administer represents a way that
  they are trained within the function they have in the company, more than this, the
  responses are analyzed using methodology.
- knowledge specialists try to quantify the customer needs that are almost all of
  the time tacit and after, the process of creation is continued by knowledge engineers,
  that make the conversion from tacit to explicit, and from our point of view, later when they
  will meet the situation of temporary replacement of the superior (knowledge officer) as a
  method of training, they will know how to front the situation and which decision to take
  regarding the efforts that need to be support and developed.
- they learn from observation - they observe as much as they can, and they observe tacit behavior as mimics, talent or cleverly, or experiences, this being another way to be trained in qualifying and promoting to an executive function, so here it appears again the implications of the tacit dimension of the knowledge creation.

- the narrative stories that comes from customers or from the experience shared by officers, or researchers in the domain is another way to be trained under the premise of tacit dimension, the practitioners or engineers take what they feel and think is good for them, and when they will have an action learning they can use the achievement that take place during the time; the narrative stories improves the organizational learning and are representing in the same time a valuable way to codify and transmit tacit knowledge

- interviewing experts that are working within the company, but are close to retirement is another way of capture the knowledge and can be truly useful when are developed driving games and simulations (training methods), situation in which a knowledge officer will be replaced by an knowledge practitioner or engineer.

VII. Conclusions

Considering all the parts that circumscribe the present paper we can affirm that to sum up into the implications underlined above it was not a easy task but we hope that we succeed to do this in a way in which the reader can easily understand it. As it could be observed throughout the present work, the impact that the tacit dimension of the knowledge have in the training and formation of the employees to reach the executive level, it’s a very important one, that rarely cannot be quantified. The employees take face with some situation that are different from an individual to another, from the way that they are perceived, understood or transmit. So we couldn’t underline this implication to each category of employees going to the detail existing once with the organizational culture, but we hope that in the close future we will go more deeply. It has to be understood the fact that this tacit dimension of the knowledge has an impact to the daily life of each individual, and mostly in a knowledge community, a place where people discover, use or manipulate knowledge and of course interact with the other individual that are making the same. What we try to achieve it was also the fact that there is a difference between workers that use only the hands to produce things comparing with the fact that exist people who only use the heads to produce ideas and knowledge and the
third category is the one that combine both and actually this is what is happening in a knowledge organization. In this way, in which the employees use the hands and the heads, the implication of the tacit dimension, is definitively growing, and our examples are going to this kind of individuals. The composition of the knowledge creating crew given by Nonaka it was helpful to can accomplish our main objective even, of course, all the standpoints of the researchers in the field have a delightful contribution to what today can be defined as knowledge creation.

To sum up we can affirm that we want to have the opportunity to develop our work and research in this field of study and as well to can achieve during the time an experience that can lead us to the point of knowledge engineers or even, better, knowledge officers.

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