

# Welfare of Rural Handloom Community Through Knowledge Management – A Review

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## Abstract

*Handloom is a very old culture of weaving clothes and plays a very important role in country's economy. It is the largest economic activity, after agriculture, providing direct employment to more than 65 lakhs people. The strength of handloom lies in innovative and intricate designs, which can be replicated in cloths. This sector, after all the odds, still has been able to withstand the fierce competition from the power loom and mill sector. The purpose of the research is to find out the possible outcomes when knowledge management is applied to handloom industry. How KM could benefit the handloom sector and the weavers at large is the primary objective of the paper. . Handloom industry lacks innovation, renewal, and competitive advantage in its products, technologies, market share and sales. If the traditional knowledge of the weavers and the co-operative societies could be accessed and applied towards organisational sustenance and survival, then the handloom industry would be able to face the change, competition, product innovation, global standards and dominance of power loom sector.*

Key words: Knowledge Management, Handloom sector, Weavers

## 1. Introduction:

Handlooms are a part of our culture and play a very important role in country's economy. It is the largest economic activity providing direct employment to lakhs of people, engaged in weaving and allied activities. . Handloom industry acts as the backbone of Indian culture and tradition with a huge variety of designs, printing techniques, weaving art and materials. Handloom products are not mere pieces of decoration but also they symbolise the cultural ethos and the aspirations of generations of people to preserve the best part of culture and civilization. This sector has been able to withstand the fierce competition from the power loom and mill sectors. Handloom is unparalleled in its flexibility and versatility, permitting experimentation and encouraging innovations. The strength of handloom lies in introducing innovative and intricate designs, which cannot be replicated by the power loom sector. Thus

Handloom forms a part of the heritage of India and exemplifies the richness and diversity of our country and the artistry of the weavers.

Business scenario has undergone a massive change in recent years thus changing the outlook of economies across the world (Kannan, 2001). Knowledge has become the most crucial resource and how an organization manages its knowledge resource, makes all the strategic difference. There are various drivers for knowledge management. Cut throat competition, turbulent business environment, ever insatiable consumer, ever increasing knowledge component in products and services, IT revolution, globalization, proliferation of data and information, high employee turnover, increasing service standards and dominance of knowledge intensive industries have brought knowledge management to the forefront. Thus it can be said that, Knowledge Management basically involves acquisition, creation, dissemination, renewal and application of knowledge towards organizational sustenance and survival (Raman, 2003).

We have seen that knowledge management has been a boon for the corporate world; its applicability also exists in Textile Industry. But for the handloom sector it is a new concept, therefore the purpose of these paper is to find out the possible outcomes when knowledge management is applied to handloom industry. Knowledge management is a managerial activity which could be undertaken by the Government and co-operative societies to bring out the vast and beautiful culture of handloom and use it for the competitive advantage of the products and give the appropriate market share.

## 2. Literature review:

The concept of knowledge is not new. The history of this word traces back to 1960 when Peter Drucker – the new age management guru coined the term “knowledge worker” and wrote extensively about it in his books. He highlighted a number of issues including emergence of knowledge as the most critical resource, economies of knowledge and productivity of knowledge. Knowledge Management as a discipline has become a centre point of discussion over the past decade. As Desouza (2011) put it, KM has become a trendy buzzword. Teng and Song (2011) said that the importance of KM is no longer restricted to knowledge intensive firms in the high-tech industries but to all sectors of the economy. Zack (2003) further says that even companies in the traditional industries, such as cement, can benefit greatly from KM. Chattel (1997) said that an intelligent company responds to the changes occurring in its environment by changing what it does, and how it approaches things, to ensure that it can pursue its purpose and goals. Stewart (2001) has rightly said that to survive, compete and grow in the world of heightened competition in the 21st century, knowledge has emerged as most critical competence for any business. Raman (2003) studied that Knowledge Management basically involves acquisition, creation, dissemination, renewal and application of knowledge towards organizational sustenance and survival. In the same year A.T. Raman (2003), said that, knowledge management is about connecting people to people and people to information to create competitive advantage. Organizations the world over and convinced that all other things being equal finally an organization will be about its people.

Elavarasi Janardhan (2008) identified the major issues faced by the artisans of India. The population of these artisans was identified in three different segments- the self employed, wage earner, co-operative members (clusters made by the govt). Ashok Das Gupta (2011) investigated that whether indigenous knowledge has anything to do with sustainable development. First of all this has been targeted to work out that how could knowledge be

treated as an integral part of culture that has, very broadly, a material and a non-material part? Next step is to see how knowledge of the local/folk/indigenous communities of human society systematically work and construct Traditional Knowledge System (TKS). Jelena, Vesna & Mojca (2012) showed that through creating, accumulating, organising and utilising knowledge, organisations can enhance organisational performance & the impact of knowledge management practices on performance was empirically tested through structural equation modelling. Brijmohan, Shweta G & Sanjay V (2015) explained the change management that has taken place in the handloom organizations at Bagalkot district. It also explained the resistance factors for the changes developed in the organization.

Funmilola Olubunmi Omotayo (2015) reviewed literature in the area of knowledge management to bring out the importance of knowledge management in organisation. The paper was able to demonstrate that knowledge management is a key driver of organisational performance and a critical tool for organisational survival, competitiveness and profitability. The paper also contributes that, in order for organisations to manage knowledge effectively, attention must be paid on three key components - people, processes and technology. Rodrigo & Manoel (2017) studied that Organizational knowledge is considered, an asset that, although intangible, generates competitive advantage to the organization. Klaus N, Rüdiger R and Alexandra S said in their paper that KM has two sides of the argument; one side argues that KM is a passing management fad that has had little or no effect on business performance. Others hold that KM initiatives may well have positive effects provided the initiative, the right approach is taken. Up to now, however, little data are available as to the effects of KM in firms. That is why in their article they had showed empirical evidence on the benefits of knowledge management. Marina du Plessis in her article clarified the role of knowledge management in Innovation as an aid to addressing this complexity. The article seeks to identify the drivers for application of knowledge management in innovation.

Spender (2008) also corroborate this fact stating that KM represents a potentially very important subject area which not only opens up new ways of theorizing about the nature of organisations, but also has the potential to be highly relevant to the interests of the business world in improving business performance. Many organisations have realized that technology-based competitive advantages are transient and that the only sustainable competitive advantages they have are their employees and so to remain at the forefront and maintain a competitive edge organisations must have a good capacity to retain, develop, organise, and utilise their employee competencies (GroËnhaug and Nordhaug,1992).

Baloh, Desouza, and Paquette (2011) say that without having knowledge to manage, there would be no knowledge management. So KM can basically be referred as a collection or body of information. Wang and Noe (2010) define knowledge as “information processed by individuals including ideas, facts, expertise, and judgment relevant for individual, team, and organisational performance.” Davenport and Prusak (1998) define knowledge as “A fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knower’s”. Another component of KM is people, therefore, Drucker (1999) points out, workers (people) need to be able to seek out knowledge, experiment with it, learn from it, and even teach others as they innovate so as to promote new knowledge creation. Baloh et al. (2011) define processes, which is another KM component, as mechanical and logical artifacts that guide how work is conducted in organisations. Technology is the last component of KM. Technology does not make an organisation share its knowledge, but if the work force wants to share it, technology can increase the reach and scope of such knowledge exchanges. The success of KM initiatives involves taking account of the socio-cultural factors which inhibit people’s willingness to share knowledge, such as conflict, trust, time or concerns about loss of power/status (Sun and Scott, 2005). Thus it is

clear that KM constitutes mainly of four components i.e knowledge, people, process and technology. As it is already said knowledge management without knowledge is of no use. And it is the 'people' who are the source of internal and external knowledge. They create and consume knowledge. Their ability to think uniquely and differently could be used for further experimentation, guidance, innovation and development of organisation. KM requires understanding the importance of the process in which the organisation functions. Mapping of process actually points out the way an organisation works, so that the working factors like human resource, machines, capital etc could be assembled and executed towards accomplishment of KM task.

KM could have five distinct dimensions. As Blackler (1995) defines knowledge as taking five distinct forms: embodied, embedded, embrained, encultured, and encoded. He defines embodied knowledge as knowledge that is gained through training of the body to perform a task. Embedded knowledge refers to the knowledge that is locked in processes, products, culture, routines, artifacts or structures. In otherwise it can be said as the knowledge which is not explicit. Embrained knowledge is that knowledge which a person possesses but it is not being able to produce, expressed, written or talked about, still it is in the brain. It is gained through experience over time and may reflect one's perceptions, opinions, values and morals. Encultured knowledge is described as a set of knowledge that is shared among groups of people who share a similar environment or culture, such as what is accepted, what actions and opinions are considered normal, and what behaviours are expected of people. Encoded knowledge is a form of knowledge that can be easily written down, expressed in words or diagrams, and is transferrable through multiple channels and means (Omotayo, 2015). Thus Omotayo (2015) rightly said, in organisation, it can be said that organisational knowledge is *embodied* and *embrained* in the staff, *embedded* in routines/common tasks, *encultured* among the staff, and *encoded* in manuals, guidelines and procedures. Davenport and Prusak (2000) says that in organisations, knowledge becomes embedded not only in documents or repositories, but also in organisational routines, processes, practices, norms and cultures

Desouza (2011) point out that without adequate care in how knowledge is managed, organisations will not be operating optimally and this will result in the ineffective and inefficient creation and delivery of products and services leading to unsatisfied customers, which is what ultimately leads to the demise of the organisation. Epetimehin and Ekundayo (2011) reveal that KM efforts help organisations to share valuable organisational insights, to reduce redundant work, to avoid reinventing the wheel, to reduce training time for employees, to retain intellectual capital as employees' turnover in an organisation and to adapt to changing environments and markets. According to Riege (2007), for KM to be effective, they need to be introduced by senior and middle managers, who should not only understand and support the strategic and operational need to align business and KM strategy by also recognize the human, organisational, and technological challenges of newly introduced actions.

Knowledge Management is a process that transforms individual knowledge into organisational knowledge. It is obvious that the knowledge anchored in an employee's mind can get lost once they leave the organisation. It is seen that some part of intellectual capital are transferable, but some internal knowledge cannot be copied and stored. Hence gradually knowledge is becoming an important factor of production other than labour, land and capital. Therefore the key objective of management is to improve the process of acquisition, integration and usage of knowledge, which is exactly what knowledge management is all about (Rasula et.al, 2012).

### 3. Objectives of the paper:

The objectives of the paper could be enumerated as:

- To study the benefits of knowledge management to handloom industry,
- To study the possible outcomes when knowledge management is applied to handloom industry.

### 4. Methodology:

The study is descriptive and is based on the secondary data and literature reviews so as to form a conceptual framework for the purpose of research. The study is of ongoing nature and it is assumed that knowledge management for handloom industry is at its evolving stage.

### 5. Results and Findings:

#### 5.1 Benefits of knowledge management to handloom industry:

Handlooms, besides fulfilling the basic clothing needs of the society, or ceremonial occasions or as decorative pieces, the hand-woven textile plays a significant role in making a cultural identity in the world forum. It is an age old industry which needs up-gradation and technological innovation, to face the fierce competition from the power loom and mill sector. In a decentralised sector like handloom, there are many problems due to illiteracy of the weavers, inadequate finance and vested interests. There are hindrances and problems in measuring the amount of effectiveness of planning and controlling system. Production, lack of raw material, cost of yarn, marketing facility are some of the common problems that a weaver faces. Weavers need to up-grade their skill and technology level to face the changing market scenario. It is normally seen that weavers prefer to sell their products to businessman instead of co-operatives or government. It is due to lack of marketing. Again weaving is such an occupation where a complete family is involved in weaving cloths. And the know-how of weaving cloths is passed from generations to generations. If the younger generation doesn't prefer to carry on the legacies, then the art of designing and weaving cloths suffers a tragic end. In present situation children of master weavers opt for other occupation due to financial instability. Thus these traditional weavers are lagging behind due to low production, lack of education and training, global market feasibility, financial assistance, proper incorporated organisations and management competencies of the people who are in charge of up-grading the weaver's community.

Government of India is always at its forefront to revive the handloom sector from its present position. Knowledge management is a managerial activity which could be undertaken by the Government, state governments, NGOs, SHGs and co-operative societies to bring out the vast and beautiful culture of handloom and use it for the competitive advantage of the products and give the appropriate market share. This will also help the weavers to get rewarded financially and economically. This will further help in improvement of the socio-economic conditions of the weavers. The knowledge in the brains of the master weavers is passed orally and through practise from generation to generation. Community weavers inherit traditional weaving knowledge across generations and learn informally through interaction, observation, socialization, co-operation and apprenticeships in the natural settings of the co-operative enterprise system (Kar, 2012). In India there is a particular weaving community practising these age old occupation. If these traditional knowledge traits can be taught and learnt and even shared outside the weaving community, then New knowledge traits can be emerged out through unintentional inventions (trial and error method) or intentionally (experimentation on the basis of hypothesis derived from summation

of certain older and newer facts) (Das Gupta, 2011). Also these traditional knowledge traits can be properly documented when these weavers get associated with modern thinkers. Some arguments say that traditional weaving knowledge should not be passed to other communities. But when this knowledge system is documented then, they can also be kept reserved and preserved within the traditional value system and social norms while being attached more to traditional livelihood. Therefore government and non-government organisation should focus on creating knowledge hubs among the weaving community so that these existing generic tacit knowledge would help in building members' competence and capturing new knowledge; crystallizing new knowledge for customer-focused design and organizational learning; and finally, knowledge preservation and internalization (Kar, 2012).

## 5.2 Possible outcomes of knowledge management:

There are numbers of benefits of knowledge management which is already seen in many organisations. The use of knowledge management in Handloom industry is at its developing stage. The present paper aims to find out the possible outcomes when knowledge management is applied to handloom industry. The outcomes has been categorised in accordance to four groups i.e. process, weavers, customers and finance.

### KM in relation to process:-

- Acceleration in whole weaving process
- Time saving in routine work of the master weavers
- Reduction in number of errors
- Increased productivity due to increased number of weavers
- Re-use of internal knowledge among weavers
- Increased process transparency

### KM in relation to weavers:-

- Increased motivation among the young generation
- Increased speed of community learning
- Enhancement of personal knowledge base
- Increased personal market value
- Improved team-work due involvement among weavers
- Competence development among young weavers

### KM in relation to customers:-

- Reduced time to react
- Increased knowledge on customer preferences
- Better customer retention
- Increased quality of products and services
- Better communication with customers
- Increase in customer satisfaction level

### KM in relation to finance:-

- Better scope for risk management
- Increase in production turnover
- Increased potentiality for market share
- Optimized marketing efforts
- Reduced administration cost

## 6. Conclusion:

Desouza (2011) point out that without adequate care in how knowledge is managed, organisations will not be operating optimally and this will result in the ineffective and inefficient creation and delivery of products and services leading to unsatisfied customers, which is what ultimately leads to the demise of the organisation. Knowledge management is a proper tool to access the knowledge and apply it in a structured way so as to achieve the organisational goals. Handloom industry lacks innovation, renewal, and competitive advantage in its products, technologies, market share and sales. If the traditional knowledge of the weavers and the co-operative societies could be accessed and applied towards organisational sustenance and survival, then the handloom industry would be able to face the change, competition, product innovation, global standards and dominance of power loom sector. Thus efforts need to be made to make these handloom industries sustainable and effective. There is also a need to acknowledge the changing scenario of global business management and the governing bodies and policy makers should be flexible enough to adapt new concepts like Knowledge management, Traditional Knowledge System, Indigenous Knowledge System etc for the betterment of the weavers and weaving society at large.

## 7. Future Research Scope:

*“A firm’s competitive advantage depends more than anything on its knowledge: on what it knows- how it uses what it knows – and how fast it can know something new.”*  
– HR Magazine 2009, p.1.

KM had been a focal point of discussion over the past decade, but since 90s around it has gain its importance as an intellectual asset for the organisation. The benefits of KM cannot be waved out as that can be found in the literatures of researchers. Handloom is a traditional industry which needs a through revival by taking all the factors of production into consideration. It is now high time when central and state government should adopt such policies where the traditional art could be developed with modern tools and techniques, still maintaining its traditional identity. To achieve this, there is a need of rigorous and in-depth research, which could bring out many new concepts of management, which again will help in economic development and survival of an age old tradition.

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