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## KNOWLEDGE-SHARING ORGANIZATIONS IN DIGITAL CHANGE

**Abstract.** *The paper intends to explore the knowledge sharing processes in modern organizations in the digital age. It investigates the essential characteristics of knowledge-sharing organizations and provides a set of guidelines to enable organizations to enhance their innovation capabilities through the knowledge sharing process and to succeed in the digital world. From a managerial perspective, the paper identifies main knowledge-sharing related organizational goals and examines some critical factors that encourage knowledge sharing mechanisms in modern organizations in digital change.*

**Key words:** *innovation; digitalization; knowledge-sharing organization; digital skills.*

**Introduction.** The organisational context for creating, capturing, sharing and accessing knowledge is rapidly changing as new technologies and business approaches are introduced. Nowadays these changes are driven by digital technologies and enabled by digital transformations. Under the existing conditions knowledge management is seen as a key aspect of enterprise digital transformation: through effective knowledge sharing mechanisms it is possible to change direction in order to adapt to business environment and to enable radical shifts in business practices. From a managerial standpoint, the idea of digitalization implies key changes regarding both the creation of new technologies and the ways staff members think about leveraging the digital innovations. In the contemporary knowledge-intensive economy there is a growing conviction that organizational knowledge is a unique intangible asset, which may constitute a potential strategic source of competitive advantage for business entities. Consequently, knowledge management mechanisms become a logical target of managerial attention. Modern approaches illustrate that in the digital age knowledge sharing is a key enabler of successful knowledge management initiatives in organizations, which are based

on the exchange of information among individuals within organizations. Through these mechanisms business entities can make knowledge sharing a key component of their competitive advantage, increasing marketing effectiveness, improving their innovation performance and adapting successfully to a rapidly changing business environment.

**Purpose.** This paper focuses on the knowledge sharing processes in modern organizations in the digital age. It is structured as follows: first, the importance of knowledge and its strategic value for modern organizations in digital change is emphasized. Then a definition of a knowledge-sharing organization is introduced and the main characteristics of knowledge-sharing organizations are described. Finally, drawing from the research on barriers for knowledge exchange, typical knowledge-sharing related problems for managing organizational knowledge are presented to be solved in order to thrive in the digital world.

**Results.** Digitalization embraces a wide range of elements that define how an organization addresses interactions with external actors (primarily with business partners, customers and clients), how it operates internal and external knowledge exchange and manages linkages throughout the organization, and eventually how this new digital framework is supported on the technical level. Digital transformation is becoming a crucial component of business strategies of modern organizations. For the business enterprise digital transformation strategies have certain elements in common. A number of these elements can be organized into four main dimensions: use of technologies, changes in value creation, structural changes and financial aspects [1; 2]. This confirms the need for the adoption of innovative organizational models that are appropriate for the present digital age, with emphasis on knowledge management mechanisms and customer focused perspectives [3].

Successful digital transformation requires careful collaboration, thoughtful planning, and the inclusion of every department of organization into knowledge sharing processes. One of the essential characteristics of modern digital innovations is that they are created primarily through collaboration involving not only staff members of organization, but also business partners and customers [3; 4].

By fostering a digitally driven culture of cooperation modern organizations are able to share their knowledge more effectively, and consequently compete more successfully than ever. While many companies may not understand completely what digital transformation means, the majority of high innovative industry leaders nowadays are

aware that an imperative for digital innovation and engagement has already emerged. Business leaders seem to agree that it is necessary today to use digital channels to engage with their key stakeholders in order to move rapidly toward technology change and to thrive in the digital world [5]. Modern enterprises succeed when they are able to adapt to industry changes and marketplace shifts and incorporate new technologies into their business practice. However, digital transformation embraces not only technology aspects it means also to bring together the digital innovations with a knowledge-sharing organizational culture.

Obviously, organizations that continue doing business as usual without systematic learning, strategy correction and the application of innovative solutions will likely fall behind those companies that use internal and external knowledge flows in their routine operations. According to the definition, a knowledge-sharing organization “considers knowledge as an important currency, equal to the value of productivity or products, and values its operational experiences as opportunities for learning for both staff and external partners” [6]. Becoming a knowledge-sharing organization requires a mix of features and technical skills to overcome objective barriers to knowledge exchange and to develop the successful practice of knowledge capture, learning, and sharing both within the company and with external actors.

Every organization needs to overcome many challenges to provide a successful knowledge management system. A knowledge-sharing organization accepts the statement that knowledge, both implicit and experiential, is a core business recourse, so that its key staff members are systematically involved in a learning process to understand how to find a right decision and how to solve a given problem in the most efficient way.

Knowledge-sharing organizations as business entities are mindful of their most important assets – human and knowledge resources. For employees it is critical to understand, that all the corporate processes within an organization, such as open communication, coordination and collaboration, team-building, learning strategy, knowledge-sharing culture and many others, will definitely determine the performance of the company – what happens in the future inevitably depends on the current situation. That is why successful knowledge-sharing organizations think carefully about the modern pathways how knowledge can be captured, exchanged and shared. These organizations are inclined to apply appropriate approaches for different levels of knowledge sharing – domestic as well as international [6]. It also needs to be emphasized that knowledge-sharing organizations have a

wide range of well-developed technical and digital skills and capacities that enable effective knowledge identifying, capturing and sharing within and outside the company.

A closer look into the specifics of knowledge management in modern companies provides insights into the peculiarities of knowledge-sharing organizations in the digital age [6-9]:

these are organizations with a strong knowledge-sharing corporate culture that perceives knowledge, experience and continuous learning as an important part of the company's routine operations;

they are strategically orientated towards systematic learning; every staff member of such an organization understands the strategic importance of experience and knowledge for future performance and effort;

digital technologies are directly connected to a huge demand for digital skills across the entire organization. Knowledge-sharing organizations realize the importance of digital skills, they are already investing in digital skills development and get therefore significant benefits in comparison to their industry competitors;

the customer experience is the ultimate goal of any digital transformation [4]. That is why managers promote the values of openness to staff, supporting cooperation, open communication and knowledge sharing interactions throughout the organization;

capturing the organization's experiences and knowledge sharing both within the company and with external partners is embedded in the organization's vision, mission and corporate strategy;

they tend to use open innovation practices and knowledge-sharing partnerships to improve their operations and are involved in open innovation activities as well as engaged in external participation;

to get access to inter-organisational knowledge and to provide successful creation and adaptation of digital innovations organizations tend to join networks with competitors.

Research on knowledge-sharing barriers, challenges and difficulties has discovered many organizational factors that influence processes of internal and external knowledge exchange [6-10]. On this basis we have organized a number of these factors into three main areas, which can be described as typical knowledge-sharing related problems for modern organizations in the digital age:

1) In the contemporary economy new ways of combining digital and physical innovations create new challenges to the protection of organisational knowledge [1]. That is why internal knowledge, competences and experiences stay often within an organization; they are not captured and shared with other actors; companies are not inclined to open their operational and innovation processes primarily because

of the risk of losing corporate “know-how” or perspective business ideas.

2) There is no well-formed learning strategy for an organization; managers of the company are not aware how to use their innovation capacity to strength their abilities for accumulating, capturing and sharing internal knowledge, how to learn from mistakes and failures and replicate successful knowledge-sharing related solutions.

3) Companies are not mindful of their most important asset – human resources. Organizations are not able to engage their members in knowledge exchange processes. They do not use appropriate incentives and motivation tools to encourage internal and external knowledge-sharing activities.

4) In addition many companies seem to be too conservative in their acquisition of digital skills. They continue to use traditional approaches and methods for sourcing digital skills. Often business entities do not include digital skills as a key component in their workforce plans and do not invest in digital skills development.

Obviously, in the digital age diverse device support is one of the key enablers to provide effective communication and knowledge sharing throughout an organization. But it can also be essential for external, customer-facing interactions. In a company whose operations include a substantial client support component, for example through specific devices or digital platforms, the knowledge resources could be used to resolve customer issues [11; 12].

The challenges to successful knowledge sharing in the age of digitalization are not insuperable and it is important for modern business entities to be aware of them. Digital transformation requires strong business leadership and knowledge-sharing organizational culture, moreover it needs the active support of information technologies and digital skills. Digital innovations require also a financial investment in new technology platforms, assets and digital skills development, but it needs to be outlined that this kind of investment will pay off in a more productive workforce and a more competitive business [12].

**Conclusions.** Modern organizations and their managers need to be aware that traditional skills and business approaches are not going to help them in the digital age. To succeed in the digital age it is crucial to build an organization that is flexible enough to adapt to the new business environment where change is the only constant. From a managerial standpoint, from the basis of problems, which were outlined, can be defined a set of main knowledge-sharing related organizational goals to accomplish: to form and maintain a knowledge-sharing corporate culture, that treats knowledge and continuous learning as part

of everyday company operations; to improve open communication and collaboration between staff members; to develop an appropriate learning strategy. Effective achievement of these goals definitely requires some changes in the company's corporate culture.

From using the new managerial tools to establishing a different style of knowledge exchanging interactions throughout the organization, the building of knowledge-sharing organizational culture will remain one of the key drivers of the digital change. It is important to highlight that at this stage the paper does not attempt to set managerial recommendations for the building of knowledge-sharing organizational culture in the digital age. Future research can examine how firm-level characteristics may influence the linkages between the knowledge exchange processes in an organization and define the pathways how to transform a traditional firm into a successful knowledge-sharing organization in order to thrive in the digital world.

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## **ADVANTAGES AND PERSPECTIVES OF AGRIBUSINESS DEVELOPMENT IN GEORGIA**

**Summary.** *The paper studies current situation in agribusiness sector of Georgia, analyzes the possibilities of production in agribusiness, describes the factors that hinder agribusiness development and provides ways to solve such problems; in addition, the role of the state in the development of agribusiness is evaluated and conclusions and recommendations about the perspectives of agribusiness development in Georgia are developed.*

**Key words:** *agribusiness, advantages of agribusiness, factors of agribusiness, conditions for agribusiness development.*