Examining the Impact of Knowledge Management on Organizational Identity with Focus on the Mediator Role of Psychological Empowerment and Social Capital (Case Study: Mashhad's Municipality Staff)

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Extended Abstract

1. Introduction

As a phenomenon, identity has been the interest of philosophers and thinkers in areas of psychology and sociology for many years. By definition, *organizational identity* is a description of how members of organizations define themselves as a social group through which they distinguish themselves from the members of other organizations. Given the vast changes in the atmosphere revolving around organizations in recent years, the issue of identity has been increasingly focused on in the areas related to organizations. In this regard, researchers have examined the causes and implications of the subject in which the impact of knowledge management on organizational identity through the mediator role of psychological empowerment and social capital has been overlooked.

2. Theoretical Framework

There is little consensus on the meaning and definition of organizational identity; in fact, this construct represents particular means through which individuals define themselves based on their membership in a particular organization. Organizational identity is a conceptual link between the awareness of organizations and self-awareness. Organizational identity is a notion for defining individuals' relationship with the organization they work in. *Knowledge management* is one of the main components of management systems which specify how and where knowledge can be acquired and transferred. Knowledge management offers the means for the transformation and evolution of information to knowledge as well as how to transfer them. In other words, knowledge management provides a general scheme

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for the technical infrastructure of knowledge management. As a subcategory of organization management and one of the main constituents of knowledge management systems, knowledge management indicates how and where knowledge can be acquired and transferred; it entails three major parts, including skill, information, and structure, with innovation also being a part of it. Considered as a competitive privilege, one of the major capitals of any organization is to have efficient, capable, and cooperative human resources. Studies on leadership and management skills demonstrate the act of human resource empowerment as the main axis of the effectiveness of organizations and management. In this case, managers do not have sufficient time to control their staff, and they should spend the majority of their time and energy on identifying the inner and outer environments of their organization and assigning other routine duties to their employees. What highlights the need for empowerment more than ever is that firstly empowered staff would regard themselves as more effective in their workplace and share such empowerment with their collogues; secondly, they would deem themselves as innovators, showing less fear toward trying new things. Social capital reflects social platforms and relationships which have significant implications. In some studies, a strong correlation has been found between physical and spiritual health and positions in networks. Today, the subject of social capital has become the main focus of scholars in scientific areas, particularly organizational researchers. One of the main causes of such focus is related to the importance and benefits of social capital in today's world, especially in the area of organizations. Similar to other forms of capitals, social capital provides generating points and the probability of success regarding particular purposes, which would not have been possible otherwise.

3. Methodology

The population of this study includes the entire Mashhad's municipality staff (i.e., 2851 individuals) out of which 332 people were selected through random sampling. As for data collection*, the knowledge management questionnaire by Curran and Kruger (2004), psychological empowerment questionnaire* by Spreitzer (1992), *organizational identity questionnaire* by Cheney (1983), and *social capital questionnaire* by Nahapiet and Goshal (1998) were used. To evaluate the validity of questionnaires, content validity and factor analysis were used; the reliability was also assessed using Cronbach's alpha, and given its higher values than 0.7 in all questionnaires, the reliability was confirmed.

4. Results

The hypotheses of the study were tested using structural equations model. The path coefficients among the variable of knowledge management on organizational

identity, empowerment, and social capital were 0.424, 0.472, and 0.647, respectively. Furthermore, the path coefficients of psychological empowerment and social capital on organizational identity were 0.416 and 0.465, respectively. Significant coefficients in these paths were respectively obtained as 2.156, 6.126, 8.711, 2.806, and 2.333, which shows that the first five hypotheses of the study have been confirmed. Moreover, given the value of t score obtained from Sobel test as 1.97 and 2.79 which were higher than 1.96, it can be concluded that the impact of mediator variables of psychological empowerment and social capital on the relationship between knowledge management and organizational identity is significant at 95% confidence level. As a result, the observed indirect relationship is statistically significant; therefore, the sixth and seventh hypotheses of the study were confirmed.

5. Conclusion

Organizational identity has many various causes; however, this study attempts to examine the impact of knowledge management on the organizational identity variable through the mediator role of psychological empowerment and social capital. The results of the study show that knowledge management directly affects the organizational identity of Mashhad's municipality staff through the mediation of psychological empowerment and social capital. In general, since human resources are the most important and valuable capital of any organization and that concentrating on such invaluable capital may impact the failure or success of any organization, it is vital that managers pay attention to developing the identity of their staff. The results indicate that concentrating on subjects such as the participation of staff in decision making, the empowerment of human resources, the delegation of authority, mutualistic relationships, participatory administration, the assignment of the staff to organizational knowledge, and the flexible structures that are indices of knowledge creation, social capital, and knowledge management in organizations may affect the staff to be more committed to their organization and its purposes and values. This, in turn, results in a stronger organizational identity. Moreover, as a result of enhancing organizational identity among the municipality's staff, they will show a higher job performance and citizen behavior of the staff as well as fewer resignations, inefficiencies, delays, and unjustified absences.

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