CAPITALIZING THE COGNITIVE ACQUIS IN THE ACCOUNTING AND FINANCIAL AREA. A MORPHOLOGY OF THE ORGANIZATIONAL MEMORY

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Abstract: "Organizational Memory" (OM) concept, intrinsically linked to the organizational learning (OL) process, is considered to be a knowledge stock related to all organization's activity and its results, and in the same time, a dynamic mechanism, connected to the continuous evolution of individual and group learning processes.
This paper include a scientific investigation concerning the OM morphology, conducted during a running research project, financed by The National University Research Council (CNCSIS), Romania, aiming to modeling the organizational memory and to define a new methodological framework for the capitalization of the cognitive acquis in the accounting and financial (AF) area – OMCCAAF.
Key words: organizational memory, knowledge capitalization, morphology, OMIS

1. INTRODUCTION

In the present information society, obtaining a competitive advantage constitutes an important strategic objective for any organization. If, to gather external information, specialists conceive instruments and mechanisms for so-called "economic intelligence" or "competitive intelligence", at internal level, they try to collect, store, order, exploit and reuse knowledge. We described here the "Organizational Memory" (OM) concept, intrinsically linked to the organizational learning (OL) process and in the same time, a dynamic mechanism, connected to the continuous evolution of individual and group learning processes".

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2. METHODOLOGY

Our approach envisaged a combined research methodology, integrating a conceptual research based on literature review to observe and describe the structure, modification, and variation rules (OM morphology). We intent to emphasis the role of Organizational Memory Information System (OMIS) and of OM ontology, designed for AF field.

Work premises and paper objectives was established and validated after reception and analysis of data provided by empirical researches realized in the Romanian economic environment, concerning OM and related concepts, which results are already published (Vrîncianu et al., 2009).

Some representative aitiographic analysis, based on literature investigation, direct observation, expert interviews about real life issues (tasks, documents used, actions in a specific knowledge generating situation) and introspection are referring OM, knowledge formalization, ontology concept etc., in order to reveal the OM morphology in the AF field.

Conclusions, proposals and future research orientation are formulated at the final of paper.

3. OM MORFOLOGY – AN IMPORTANT OMCCAAF PILLAR

In management literature, the concept of "organizational memory" is defined as an explicit, immaterial and persistent representation of knowledge and information within an organization (Dieng et al., 2001), or a collection of competencies – declarative knowledge, beliefs, and procedural knowledge – provided by relations inter- and intra-organizational layouts (Girod-Seville, 1995, cited by Carbonnel, 2008).

In our vision, capitalizing the AF cognitive acquis supposes realizing the cartography of organization capitalized knowledge - explanations, predictions, technologies, representations, ideas, events, norms and other elements from organizational culture area. The OMCCAAF can become the general framework used with this purpose in any type of organization.

Recent researches emphasis the complexity of modeling process for the capitalization of a formal - informal, explicit - tacit knowledge in the AF field. Therefore an OMIS (Organizational Memory Information Systems) aiming to manage any AF information provided by various sources, requires many types of instruments, like ontology based semantic web, distributed architecture for databases and data warehouses, business intelligence tools to harness the AF cognitive acquis at organizational level (Anica-Popa et al., 2010).

Exploiting the AF cognitive acquis through OMCCAAF and a specific OMIS can improve organizational learning process and avoid know-how loss of specialists after their transfer or retirement, being a very dynamic management activity.

Truszkowski et al. (2003) defined the morphological space of a system like a sub-space of R10 presenting in a vector the characters of all organizational agent activities, "according to notions of supremacy, independence, persistence, easiness, velocity, intensity of internal flux, complexity, communicational frequency, organizational gap and transport of information".

In the AF area, we intended to outline the structure, the form and form change rules of the AF information capitalized inside an organization and to elaborate the OM cartography for the AF field using an aitiographic analysis based on static and dynamic diagrams. The diversity of the AF information reveals the limitation of our research: an exhaustive treatment of all information forms is impossible. Analysis concerns the main accountancy professions.

4. DEFINING OM MORPHOLOGICAL ELEMENTS

Because of the diagrams size, we present below the principal steps of the analysis concerning the OM morphology for AF field, discussing briefly each selected element.

First of all, we composed a *set of criteria* used to classify the AF information. In this set we included: degree of centralization; type of information (declarative, procedural, beliefs); legal statute; accessibility; internal/external use; formal/informal; implicit/explicit etc.

Production and use of the AF information, with different priority levels, was detailed.

The documents-sources flux between the main departments was designed, analyzing also the frequency of documents production or change, adding the possible causes of documents change, in form or/and content. We must note that some documents have today only an electronic form, which impose attention in its storage processes.

During the construction of an OM, an entity can be confronted with human resource specific issues. People generally do not like to share their best ideas or prefer not to use other colleagues' ideas or they consider themselves to be experts and therefore prefer not to collaborate with others. In order to sustain the knowledge capitalization, any organization must to establish specific *policies and protocols of data acquisition,* to avoid information loss by stimulating the personnel to share experiences, beliefs, feelings etc., knowing that the information power calls for recognition (Gaggiotti & Grisoni, 2009). A competitive advantage, provided by the organizational learning of past lessons, is dependent on the valuable, rare, and hard-to-imitate resources that reside within an organization (Stiles & Kulvisaechana, 2003).

Information and communication technology (ICT) tools were other important elements on this morphological OM study. The experience of some large accounting firms in the world demonstrates a linkage between the use of specific Knowledge Management-based ICT tools and organizational performance.

ICT instruments were selected to describe the structure of an OMIS aiming the capitalization of the AF cognitive acquis: collaborative tools, semantic Web, database, knowledge base, case base, documentary base, decision support systems etc.

In the future, seeing the current collaboration technologies evolution, almost all staff in an organization will be involved in the knowledge management process.

The OMIS elements must cover any possible operation in the AF field, such as the creation, storage, retrieval, transfer and exploitation of knowledge. This knowledge repository of experts groups –the OMIS – is designed to organize the AF information in such a manner that allows quick access to itself. Links between different types of information can be determined by using specific instruments for competitive intelligence (CI) approach. A CI facility uses Web mining technique and OLAP technology etc., providing competitive organizational advantages (Anica-Popa & Cucui, 2009).

Rules concerning changes of any AF information or structural element are also a constitutive part of the OM, offering continuity for this dynamic mechanism, connected to the evolution of organizational learning processes.

5. CONCLUSION

AF researchers emphasized the idea that, in accounting judgment and decision-making performance, knowledge quality has a significant contribution (Roberts & Ashton, 2003, McCall, 2006). Consequently, many firms and accounting departments have adopted knowledge management systems, which were improved by integrating different intelligent systems, in order to assure a response with high velocity level for any request.

The OM morphology analysis for the AF information succeeded an OM entropy study, currently developed by the research team. Both are elements for the modeling approach of our OMCCAAF framework – the central goal of this running research project.

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