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# KNOWLEDGE COMMUNICATION INDICATORS FROM KNOWLEDGE MANAGEMENT TO NATIONAL INNOVATION SYSTEM

#### Abstract:

Both at firm and national level, particularly in the most developed economies, the increasing importance of knowledge have meant that the net stock of intangible asset has grown more rapidly than the tangible asset. This has unfortunately not yet happened in the developing economies (Mortensen et al., 1997). The world's economy is becoming ever more dependent on creating, distributing, and using knowledge. Converting knowledge into innovation activity penetrates the entire process including knowledge creation, transmission and application. Knowledge flow facilitates relationship and communication among the subsystems and various main bodies within the innovation system, which prompts the innovation system to be a more dynamic, open, and mutual promotion system. The exchange, flow and allocation of knowledge are the prerequisite for safeguarding the innovation system's operation efficiency. Therefore, Knowledge Management (KM) construction for Innovation System is the enterprise innovation guarantee factor as well as one essential part for superior national innovation system. Developing countries are not as advanced as developed countries in terms of their knowledge management systems, innovation management systems, and innovation potential. Promoting their innovation management systems will benefit their innovation and will promote them closer to rely on knowledge-based industries. While National Innovation System (NIS) has been studied extensively since 1987, they have not been studied from the perspective of a knowledge management system, and this paper addresses this gap. Innovation system research emphasizes knowledge creation, transmission and application on region-level. It devotes to pull regional overall knowledge creation and innovative activities through innovation system's institutional arrangements within a region and the network architecture design to influence functional mechanism of the essential elements. According to this context, the paper aims to propose the development of a NIS approach from a knowledge standpoint and modeling the relationship between NIS performance dimensions and items of knowledge management functions to identify how general functions of knowledge management enables NIS. Hence, the work is focusing on contributing a new perspective to the study of national innovation, as it has integrated the approach of knowledge management by summarizing the results from research touching two different aspects of knowledge management (explicit and tacit). Therefore, this paper attempts to make contribution to the nascent body of research on modeling how KM functions enable NIS. Future study can undertake a validation based on the concept model proposed from this paper.

### Keywords:

Knowledge Management, National Innovation System, Knowledge Communication Indicator