Role of Knowledge Management in Organizational Performance Among Employees

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ARTICLE DETAILS	ABSTRACT
Research Paper	

The business and organizational management is changing their current process and increasing its performance level due to the massive impact of globalization. With the rapid change of digitalization, business owners and managers have acknowledged the importance of KM or Knowledge Management. Here, in this article to justify the importance of knowledge management in an organization, it has tended to define the role of knowledge management to increase organizational performance by sharing knowledge and giving proper training to the employees. Here, the literature review has done by elaborating different articles on the relevant and related factors and co-objectives of the main topic. Furthermore, the literature review has gathered secondary resources from different articles related to different topics such as knowledge management, organizational learning and performance and also discussed about the effect of knowledge management in organizational performance and employees. The research methodology has been adopted secondary qualitative method, as the data has been collected from basically secondary resources. In addition to this re research approach have followed inductive research approach to elaborate the actual phenomenon of different factors related to the role of knowledge management. Lastly, the analysis has been on the different market places and the organizations where knowledge management plays a dynamic role in term of influencing

employees and provides them their utmost. The results have aimed to shown the different outcomes. motivation However, the main purpose of the study is to show the utmost impact of role of knowledge management for enhancing organizational performance among in employees. While, the conclusion of this research has provided positive hypotheses that shows knowledge management plays a huge role in term of providing organizational performance and motivating employees.

1. Introduction

Knowledge Management is nothing more than a process that helps an enterprise or a business corporation to collect and gather its innovative ideas and creativeness to make a great impact in the business. The process ensures that the collective knowledge resources are easily accessible to all the employees in a business to get benefits by using all the knowledge. In business management, the knowledge mainly includes various types of resources such as technical knowledge or understanding, training documents, frequently asked queries and people's skill. An ethical and well-established knowledge plays a bigger role in the business in terms of spreading the valuable skills and knowledge. As the knowledge and skills are required to expand the business and to polish work efficiency of each employee. The effect of globalization and industrial revolution has increased the demand of the general public from the previous states and knowledge management is one of the effective strategies that could support a business to change and develop through adapting these changes of surroundings.

The main purpose of integrating knowledge management in business is to increase organizational performance among all the employees equally. Hence, it is acknowledged that knowledge management is the only process that is able to share different perspectives or ideas of individual people, provide a chance to interact with each other, share valuable experience and information. Along with this, as the current generation and business is changing its working processes, it is also important that employees are aware of every changing aspect and prepared to serve top most services to the customers. Furthermore, knowledge and useful skills helps to maintain culture and hierarchy by building a proper structure of the business management. Similarly, the theory of organizational KM also focuses on the organizational structure and guide to be a cultural and hierarchical organization for managing all the knowledge process equivalently.

2. Literature Review

Generally, literature review is defined as a process that resources different information from secondary sources such as articles, journals, written papers, documentaries and beyond. In simple words, literature review is the study of different researchers made by another person. In this segment, the review of different resources of knowledge management, knowledge management system, organization learning and process and the effect of knowledge management in organization performance and employees.

2.1 Knowledge Management

The relationship between organization, knowledge management and knowledge transfer are highly correlated with each other. The current industry is most recognized as a creative industry that utilizes different knowledge management and aims to transfer or share useful knowledge and skills that can create innovative things in the business. According to the report of Mileva Boshkoska et al. (2018), knowledge management includes both theoretical and practical knowledge that helps businesses to spread new types of learning such as tacit, implicit and explicit knowledge. Tacit learning refers to those types of learning that are generally gained through overviewing different types of experience. While implicit learning is defined as the process that includes non-episodic learning through complex information in an accidental manner.


Figure 1: Knowledge Management

(Source: Boshkoska *et al.* 2018)

Additionally, researchers and scholars have further highlighted that this type of learning is often used in business, mainly in technical or financial business platforms as it provides learning without awareness. On the other hand, knowledge management in the context of business involves several mandatory steps such as planning, organizing, motivating, controlling, process and system in the organization that ensures all the knowledge-related assets are improved and all are employed effectively (Lee & Chan, 2019). Recent research on KM or Knowledge management also highlighted that the knowledge within the knowledge management process involves several factors such as "acquisition", "creation", "refinement", "storage", "transfer", "sharing", and "utilization". The main purpose of these factors is to functionalize the knowledge management properly in the business.

2.2 Organizational Learning and Performance

Different researchers and scholars have proposed vast and various ways to conceptualize the relationship between knowledge management and organizational learning. As opinionated by Antunes & Pinheiro (2020), it has been suggested to a business or management to mainly focus on the OL or organizational learning in the process of knowledge management. A proper knowledge management occurs with organizational acquisitions, creates, processes & other eventual uses. On the other hand, the other yet effective approach of conceptualizing the relationship between organizational learning and knowledge management. Thereby, the most attractive way of conceptualizing knowledge management is motivating employees for new creation, dissemination and application of knowledge, Utilizing the initiatives of knowledge management.
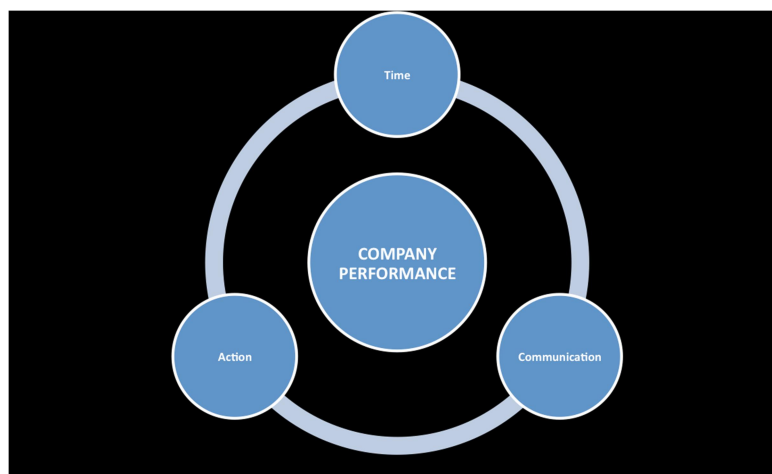
Figure 2: Organizational Learning and Performance

(Source: Antunes & Pinheiro, 2020)

Apart from these factors, it has been also stated that organizational learning cycles have been suggested as the accumulated knowledge. Organizational learning cycle has been defined as a continual process for improving an organization. This organizational learning cycle encompasses with three actions such as gaining experience, creating knowledge through experience and transferring the knowledge and skill in overall organization (Choi & Chandler, 2020). For example, training and knowledge sharing events are addressed as one of the effective methods that helps employees in the business to grow their both personal and professional attributes. Additionally, the institutional improvements can easily be embedded in the organization through different routines such as ***written policies, prescribed machine settings, quality control limits*** and ***implementing best practices***.

2.3 Effect of Knowledge Management in Organizational Performance

Knowledge management can be very effective in various ways, in fact a proper and well- established knowledge management is effective to improve organization performance. Different operational functions such as increased sales, customer satisfaction, opportunities of innovation, customer satisfaction and also through providing quality satisfaction through selling products or services. In the reports of Abubakar et al. (2019), it has been stated that KM or knowledge management is a systematic organized attempt that mainly focus on using utmost knowledge in the business to transform the ability, store it and re-use it in time of necessity. Moreover, the tools included in the overall process are deliberately able to improve individual performance of employees and their performance individually or as a team.

In addition to this, many previous researchers have also addressed that learning and experiencing knowledge management also helps an organization to create an immense impact over on the behavior, attitude and response of employees. It allows a business to grow as a cultural and hierarchical business institution. Along with this, several researchers also discovered that an effective knowledge management would also be capable of leading a business to collaborate and cooperate among individuals, projects and organizations.

2.4 Effect of Knowledge Management in Employees

Overviewing expert's views from across the world, knowledge management is addressed as an important process that is needed to be implemented in the organization. As per the report of Abdi et al. (2018) knowledge management is a process that deliberately improves business performance by increasing knowledge of employees if it is transferred accurately among them. In brief, organizations or business corporations are effectively able to use the tactics of knowledge management and other

initiatives to engage employees effectively toward their work. By engaging employees in the firm, it tends to create an opportunity of creating a learning and sharing environment.

As well as knowledge management harnesses the collaborative intelligence in an organization that mainly tends to empower the employees by providing the best knowledge and giving them the best practices. Daily practicing of knowledge and different skills help an individual person to leverage their both mental and physical capacity (Al-Abbadi *et al.* 2020). It provides confidence to a person by doing something or performing a task more dynamically and also approaches the person to take risks. Knowledge management is the only effective strategy among other similar strategies that can encourage employees to take part in business events or while performing tasks. However, in order to learn something, it depends on different people's eagerness to learn something new and expand their knowledge. Thereby, researchers around the world addressed that KM can be much more effective in impacting employees if the organization is able to create a fruitful environment and training.

3. Methodology

Here, the method for collective reliable and credible resources the study has followed the method of secondary qualitative method. As per the view of Tarrant & Hughes (2021), secondary qualitative resources include different journals, newspaper articles, public library, competitor research and in some cases, it includes government data. In addition to this, the section has also defined different methodological tactics such as collection method, research paradigm, research philosophy, research approaches and identification of dependent and independent variables for this research. The research also describes different research methods that have been chosen for taking fruitful measurements on the relevance of research topics.

3.1 Research Approach

As it is already stated that the valuable information and data has been collected through resourcing from secondary analysis, the research approach chosen here is an inductive research approach. The inductive research approach tends to generalize different information observed from previous experiences or researchers (Fardet *et al.* 2021). The inductive reasoning or approach mainly begins with specific observations or measurements through detecting patterns and regularities. Then it formulates a tentative hypothesis that allows researchers for further exploration or develops a theoretical approach. Here, in this particular context it has been seen that in most of the cases the previous researches have approached

for developing an own developed knowledge management system that can effectively measure organization performance before and after implementation.
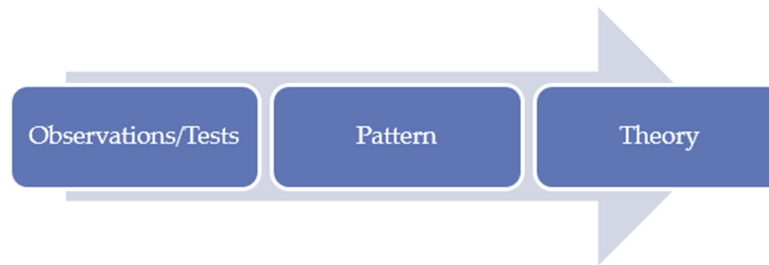
Figure 3: Inductive Research Approach

(Source: Fardet *et al.* 2021)

3.2 Research Method

Here, in this article, the descriptive research method has been chosen among all the research methods. However, the descriptive research method has focused on the peer viewed articles made by researchers or scholars across the world. As per the statement of Atmowardoyo (2018), generally, descriptive research methods are applied in research to describe characteristics of population or phenomenon on the topic that are being studied. During collection of different information and data regarding the topic it has seen that more than 10,000+ researchers have done previously regarding the same topic. However, each of the research has mentioned different elements of knowledge management.

3.3 Research Paradigm

Generally, a research paradigm is referred to as a model or approach that considers the standard level of a research. In the reports of Kaushik & Walsh (2019), It is the measurement of a substantial number of researches in the field that are mainly based on verification and the practice on the topic for a longer period. Here, in order to measure the relevance of studying the topic over the period, a positivist research paradigm is addressed as the suitable paradigm for this topic. As the research has been completely based on secondary resources, the positivist paradigm has helped to guide the research process through exploring the social reality of this particular topic.

3.4 Research Philosophy

Research philosophy is the belief that defining the process of data would choose a specific phenomenon to collect information and analyze the data. Here, in this case a pragmatism research philosophy has been chosen for this article. Pragmatism research mainly focuses on the research design that

incorporates with several operational decision and tends to find out the suitable answers against the questions under investigation of a particular topic. Furthermore, implementing research philosophy as a methodological tool also helps to show the utmost reliability of research and also value freedom (Alharahsheh & Pius, 2020). In this case, it has been seen that most of the researchers and scholars around the world have given their positive hypothesis that building an effective KM is impactful for a business. It helps to increase business performance and employees' work efficiency.
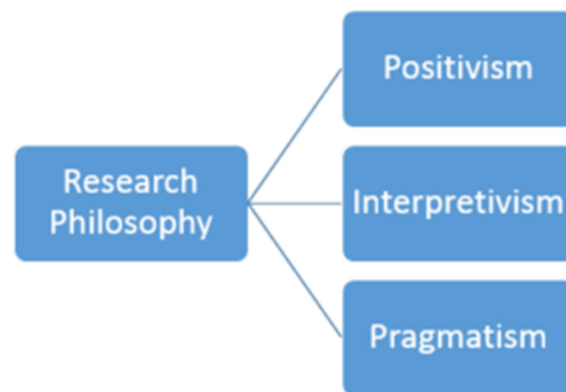
Figure 4: Positivism Research Philosophy

(Source: Alharahsheh & Pius, 2020)

3.5 Identification of dependent and independent variable

In this article, two types of variables are highlighted, one is a dependent variable and another is an independent variable. In the reports of Rogers & Revesz (2019), dependent variables are the variable that has retained main focus or the entire research is dependent on that particular factor. Here, the dependent variable is the role of acknowledgement management that helps business and as well as employees to increase their work performance.

On the other hand, the independent variables can be included one or more than on variables that are associated with dependent variables directly. For this particular topic, the independent variables are knowledge management process, knowledge management system, organizational learning, organizational permanence and employees work efficiency.

4. Data Analysis and Discussion

Here, in this specific study the data analysis has been done on the basis of thematic analysis as the resources of different data and information are collected from secondary articles of previous researchers.

According to the report of Castleberry & Nolen (2018), systematic analysis is referred to as a method that is generally done for analyzing qualitative data in research. The researchers are allowed to closely examine the data to identify several common themes such as different topics, patterns and ideas that come up repeatedly. In this particular context, the thematic analysis would be done on the identified dependent and independent variables such as role of knowledge management as dependent variable and knowledge management system, organizational learning, organizational performance as independent variables. Here, the systematic analysis has been done considering a step-by-step approach on the identified dependent variables and independent variables.

4.1 Role of Knowledge Management

Recent report shows regarding knowledge management has obtained the knowledge as primary objective that sharpens human's cognitive skills and provides a massive impact in reasoning and *problem-solving* of people. In the article of Abualoush et al. (2018), it has been highlighted that a strong knowledge base helps a business or a person to move forward. Thereby, it is also concluded that form the article that a proper knowledge management are derived with several activities such as planning, organizing, controlling, measuring and executing. Here in this case the data that are collected regarding the role of knowledge management has taken as the primary attribute that shows the correlation with other independent variables of knowledge management being the only dependent variable. Furthermore, a relative data shows that if 1 is addressed as knowledge management then the dependency on its variables carries that similarly tends to provide organizational knowledge and skills that help employees to strengthen their base while performing any work-based operational task.
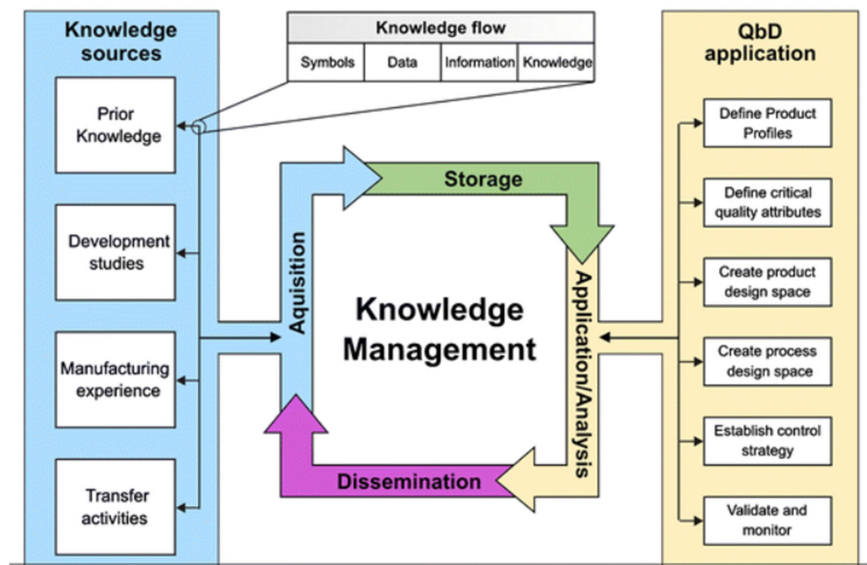
Figure 1: Role of Knowledge Management

(Source: Abualoush *et al.* 2018)

In addition to this, it has been also highlighted that knowledge management includes major five factors that has influenced the different age group that have been survey in this article. However, the influencing power act as differently on the different age group. Additionally, it has been also acknowledged that the Knowledge management within a business act as a core foundation that majorly influences the leader of the firm to identify the most attractive and innovative way to motivate employees.

In the context of business or industry, researchers and scholars have addressed knowledge management plays a big role. The entire process includes several heavy duties and performs numerous yet crucial responsibilities such as sharing perspectives, sharing of innovative knowledge and ideas, spreading experience and information to each other. Furthermore, there is some proven evidence that knowledge management is capable of increasing work efficiency by motivating employees. Companies like IBM, igloo software, I manage, interfacing technologies Amazon, Evernote uses knowledge management process and KM systems to maintain a proper and ethical system (Adams et al. 2021). It helps to control the business through a systematic way and also manage to evaluate every system that ensures employees are motivated and satisfied with their job.

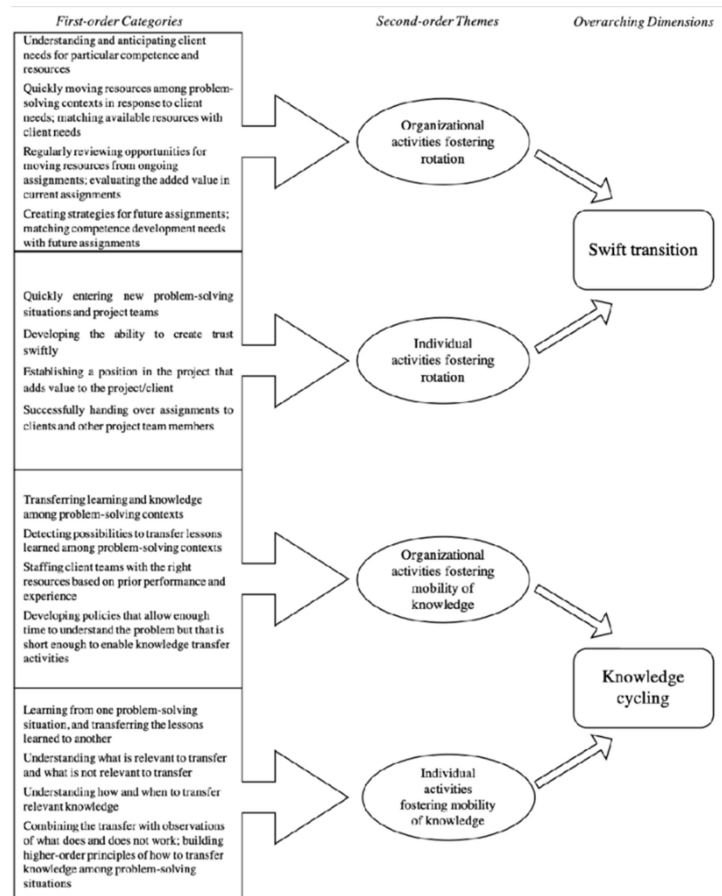## 4.2 Knowledge Management System

Knowledge management System is referred to as an effective tool or technological system of IT management that stores and retrieves knowledge to improve various aspects such as understanding, collaboration and process of alignment. In addition to this, it has been also stated that knowledge management systems can exist not only in organizations but also among groups or teams. It can further act as a base that provides knowledge to the business users and customers. As per the report of Nisar et al. (2019), the main purpose of the KM system or knowledge management system is to apply all the crucial KM based principles in business that typically enables employees and customers. It also provides the opportunity to create, share and find relevant information more rapidly and actively.

There are three major types of knowledge management systems such as enterprise-wide knowledge management systems, knowledge work systems and intelligent techniques that can be frequently seen in business or enterprises as mostly used knowledge management systems. Even though all these systems work differently by measuring vast and various elements in the business, the main purpose of all these

systems is to comprise a range of different practices that can be used to perform different organizational activities (Senderov et al. 2018). The major activities that these systems take account are such as identification, creation, representation, distribution and lastly enable adoption to insight and recognize experiences.

4.3 Organizational Learning

Over the past series, researchers and scholars across the world have shown that knowledge management provides a deep impact on organizational learning. According to the report of Naqshbandi & Tabche (2018), organizational learning promotes an individual person's knowledge in order to increase their abilities and working capabilities. Furthermore, in common terms, it is defined as a process that improves itself over the time through gaining experiences and using the experience to create knowledge. Researchers have separated major four organizational learning to understand the different variations of it. Those variations are such as search, knowledge creation, knowledge retention and knowledge transfer are interrelated with each other consent depending on the main variable. On the other hand, organizational learning can be difficult in some cases if the person is not knowledgeable or skilled enough to understand the learning objectives or other learnings.

Figure 2: Organizational Learning and the variables

(Source: Antunes & Pinheiro, 2020)

As it has been already stated that the relationship between knowledge management and organizational learning is broad and includes several complex paradigms. Hence, the complexity and criticalness of the learning process are also highlighted as one of the disadvantages of the organization learning process. However, any issues or barriers can be resolved or broken down if the KM system in the business is properly integrated. There are several ways to conceptualize the relationship among knowledge management and organizational learning. As per the opinion of Antunes & Pinheiro (2020), organizational learning has retained to focus on process, while KM mainly provides its focus on content. Both of the learning tends to combine different processes to increase the learning efficiency among employees.

4.4 Organizational Performance

Organizational performance can only be increased if both manager and the management work equivalently and maintains a proper system. As per the statement of Kim *et al.* (2021), organizational performance compromises with both actual output of an organization and measured against its intended outputs. Identifying financial stability of an organization is an effective approach to measure its organizational performance. For example, if organizational performance is increasing it defines the company is earning more profitability and emerging more productivity. Oppositely, if the output of organization performance is negative it shows the company is losing its work efficiency. Organizational performance is the outcome of a company that only resulted at the end of a successful fulfillment of a project.
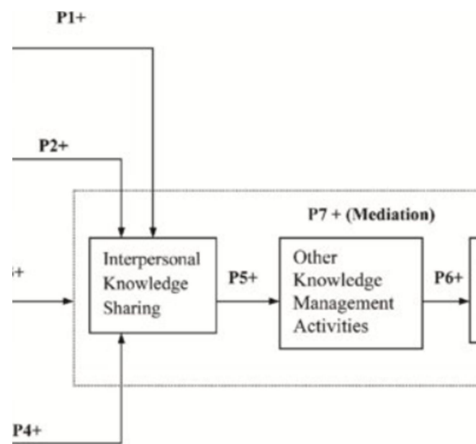
Figure 3: Organizational Performance and Knowledge Management

(Source: Mahdi *et al.* 2019)

Knowledge management within the context of organizational performance tends to provide a great impact on organizational performance. Compared to the usual learning process, the learning process under knowledge management is more effective and dynamic (Mahdi *et al.* 2019). It allows a business to increase its knowledge and boost its performance for better procurements. Furthermore, knowledge management proposed a business to use a systematic method to use knowledge in business within an organization. It helps businesses to transform the ability of storing and using the knowledge management process properly. KM can also be an effective tool that allows a business to improve individual performance of employees as well as of the entire organization.

Through the overall discussion, it can be seen that KM plays a much bigger role than expectation. The major role of the KM in an organization is to optimize every operation within a systemic structure that aims to perform business activities properly. As per the report of Li *et al.* (2018), it has been seen that more than 10,000+ discussions have been made on the role of knowledge and its different objectives. However, no specific researchers or articles have been made that discuss the effectiveness of knowledge management in different organizations. Additionally, from the overall research it has been also seen that knowledge management plays a bigger role that motivates employees to learn ethical skills and gain critical knowledge in response to the issues that companies or industries often face.

In addition to this, it has been also acknowledged from the entire study that the knowledge management system includes vast and various characteristics that helps a business to optimize different factors that could possibly increase the percentage of work efficiency level and also helps to boost the factors that ensures employees are motivated enough to engage themselves into work. At the significance level of (α = 0.05) it refers that knowledge management has significantly helped the business (Abusweilem & Abualoush, 2019). On the other hand, lower than these measurements helps organizations to improve their efficiency level to enlarge productivity.

5. Conclusion

From the overall study, it can be concluded that knowledge management plays an essential role that tends to maximize the business's profit by encouraging or motivating employees in the workplace. It has also acknowledged that knowledge management can be more effective if it's properly integrated in the business. Besides this, leaders and managers also play a major role that monitor that the KM system is working properly and able to meet all the obligations and goals desired by a business firm. In addition to this, the study has also highlighted that knowledge management systems can be varied and work differently, while the main purpose of the system is to propose a systemic approach to perform business activities.

Along with this, it has been seen that the role of knowledge management is not bounded within an organization, it also helps individuals or employees to improve their skills and knowledge to gain personal and successful attributes for achieving great success in career. Thereby, it can be undoubtedly said that effective knowledge management is a great approach for a business to boost its knowledge and skills to raise profitability. At the end of the study module, it has been described that a significance level

of (α = 0.05) can be helpful for a business, as it defines the level of knowledge management in terms of gaining profitability.

6. Recommendation

Business and markets are changing dynamically due to the massive impact of globalization. Additionally, uncertain epidemics or global issues are also effective to change business culture and based on this business or organizations adopt different knowledge management depending on the situation. Therefore, it can be stated that the current research may not prominent for the future research, in order to improve the research, there are several recommendations have mentioned below,

- Research on country-based or organizational type-based knowledge management should be done.
- The research should be more specific to get the most potential and effective results.
- There is a need to assess future research on the same topic.
- Research regarding knowledge management should be more discussed about the variety of knowledge management systems and the way the process works.

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