

An Integrated Knowledge Management Capabilities Framework for Assessing Organizational Performance

Abdel Nasser H. Zaied

Vice-dean for Education and Students Affairs College of Computers and Informatics, Zagazig University, Egypt E-mail: <u>nasserhr@zu.edu.eg</u>, <u>nasserhr@gmail.com</u> Phone: +201008388588

Abstract - In the present aggressive world of competition, knowledge management strategies are becoming the major vehicle for the organizations to achieve their goals; to compete and to perform well. Linking knowledge management to business performance could make a strong business case in convincing senior management of any organization about the need to adopt a knowledge management strategy. Organizational performance is, therefore, a key issue and performance measurement models provide a basis for developing a structured approach to knowledge management. In this respect, organizations need to assess their knowledge management capabilities and find ways to improve their performance. This paper takes these issues into account when study the role of knowledge management in enhancing the organizational performance and consequently, developed an integrated knowledge management capabilities framework for assessing organizational performance. The results show that there is positive correlation between knowledge management capabilities and organizational performance. The results also show that the proposed framework can be used to assess organizational performance and also can be used as decision tool to decide which knowledge management capability should be improved.

Index Terms - Knowledge Management Framework; Organizational Performance; Knowledge Management Capabilities

1. Introduction

Because of the increasing interests on knowledge management (KM), various researches had been accomplished. Most researches had dealt with the relationship of knowledge management infrastructure, processes or performance in isolation ^[1]; some researchers had focused on the relationship between knowledge management infrastructure and knowledge management processes, and others had concentrated on the relationship between knowledge management capabilities and organizational performance ^[2]. Several studies had proposed 'KM performance' models to describe the performance improve between the enterprise's current capability and the capabilities improve by KM. Gold, et al. indicated how effectively KM resources are being used to leverage organizational capability ^[3]. Fan, et al. divided Knowledge process

capability into acquisition, conversion, application, and protection ^[4]. Aujirapongpan, et al. synthesized and proposed the indicators of knowledge management capability (KMC) in different knowledge management (KM) processes to assess KM effectiveness ^[5]. Whereas, Chang & Chuang ^[6] studied the effective KM processes from the roles of infrastructure capability and business strategy.

Accordingly, an integrated view of knowledge management is missing and how to perform knowledge management to improve organizational performance is not clear. In order to alleviate these limitations of the previous research, this study analyzes the previous studies and proposes an integrated knowledge management capabilities framework for assessing organizational performance. This framework was tested empirically to investigate the correlation between knowledge management infrastructure; knowledge management processes and organizational performance and examine its validity in assessing organizational performance based on knowledge management applications.

The remainder of this paper is organized as follows. Section 2 presents KM components, whereas, section 3 presents KM performance models. Section 4 describes the proposed KM framework. In Section 5, we apply this framework and in section 6 we discuss the results. Finally, we conclude with summaries of this work.

2. Knowledge Management

Definitions of knowledge management (KM) abound in the management literatures. Knowledge management involves the panoply of procedures and techniques used to get the most from an organization's tacit and codified know-how ^[7]. Filemon & Uriarte ^[8] defined KM as the strategy and processes to enable the creation and flow of relevant knowledge throughout the business to create organizational, customer and consumer value. Finally, it can be defined as the strategies and processes designed to identify, capture, structure, value, leverage, and share an organization's intellectual assets to enhance its performance and competitiveness.

2.1 Knowledge Management Components

Knowledge management (KM) has captured the attention of organizations as one of the most promising ways for organizations to succeed in the information age.

2.2.1 Knowledge Management Infrastructure Capabilities

The knowledge management infrastructures are the mechanism for the organization to develop its knowledge and also to stimulate the creation of knowledge within the organization as well as the sharing and protection of it. Yeh et al. ^[8] defined it as necessary building blocks in the improvement of the effectiveness of activities for knowledge management in an organization.

2.2.1.1 Knowledge-based structure

Knowledge-based structure refers to the extent of an organization's structural disposition toward encouraging knowledge-related activities. The structure must be appropriate to the organization in order to adapt to an ever-changing environment ^{[1],[2],[4],[6],[9-16]}.

2.2.1.2 Knowledge-based technology

Knowledge-based technology is defined as the technical systems within an organization, which determine how knowledge travels throughout the enterprise and how knowledge is accessed. The implementation of knowledge management technologies without ensuring that the organizations employees are well informed about the organization's overall goals and objectives, and how this technology can facilitate the success of these goals, will lead to disappointing returns on the technology investment [1],[2-6,[8-9],[12-16]

2.2.1.3 Knowledge-based human resources

Knowledge-based human resource describes the extent to which employees specialize in a particular domain and demonstrate the capability of applying that knowledge to interact with others. Since, people are the exclusive creators of knowledge, managing knowledge is managing people, and managing people is managing knowledge ^{[3],[6],[10-12],[4],[16]}.

2.2.1.4 Knowledge-based culture

Culture incorporates a set of shared values, norms and beliefs, mainly implicit, that the members of an organization possess. Culture defines not only what knowledge is valued, but also what knowledge must be kept inside the organization for sustained innovative advantage ^{[1],[3-6],[9-15],[16]}.

2.2.2 Knowledge Management Process Capabilities

The knowledge management processes is defined as the managerial processes which develop, transfer, transmit, store and apply knowledge, as well as providing the members of the organization with real information to react and make the right decisions, in order to attain the organization's goals.

2.2.2.1 Knowledge Acquisitions

Knowledge acquisition is a process that covers the activities of the accessibility, collecting and application of acquired knowledge. It also refers to how knowledge is acquired from various external and internal sources [3-5],[13],[15],[18-21]

2.2.2.2 Knowledge Conversions

Knowledge acquired from either external or internal sources is ineffective unless it is converted into useful and applicable forms to improve productivity and business operations. Therefore, Conversion is an important factor in process capability ^{[4],[15],[18-19],[22-23]}.

2.2.2.3 Knowledge Applications

Knowledge application is a focal element in knowledge management process. The value of individual and organizational knowledge resides primarily on its application. The application of knowledge enables organizations continuously to translate their organizational expertise into embodied products ^{[1],[4-5],[12-13],[15],[18-19],[23-25]}.

2.2.2.4 Knowledge Protections

Security is always the major concern in any organization's management information systems. Protecting corporate knowledge requires clear but detailed policies to ensure the knowledge asset is in its safe state at all times. The enterprises need to assure their organizational knowledge is kept safely and accessed only by authorized personnel. Protection of knowledge asset is an essential task in the organization's KM implementation ^{[3-4],[13],[15],[18],[26]}.

2.2.2.5 Knowledge Storing

Knowledge can be stored within the organization 'organization memory' and include physical resources (like written documentation, structured information stored in electronic databases, codified human knowledge stored in expert systems, documented organizational procedures and processes) as well as non-physical resources or can be found outside of the organization ^{[1],[5-6],[9],[17]}.

2.2.3 Knowledge Management Functions

Argote, et al. ^[27] defined knowledge management functions as the degree to which the organization creates; shares and utilize knowledge resources across functional boundaries.

2.2.3.1 Knowledge Creation

This comprises activities associated with the entry of new knowledge into the system, and includes knowledge development, discovery and capture. Nonaka, et al. ^[28] defined Knowledge creation as the process of making available and amplifying knowledge created by individuals as well as crystallizing and connecting with an organizations' knowledge system. The creation of knowledge across functional boundaries requires the capability to generate new applications from existing knowledge and to exploit the unexplored potential of new skills ^{[5],[10],[12],[28-29]}.

2.2.3.2 Knowledge Sharing

The ability of sharing and distributing knowledge resources across functional boundaries enables the organization to fundamentally change its business processes. The sharing of knowledge resources not only facilitates cross-functional interaction but also allows the sharing of knowledge repositories among process participants, thereby allowing greater collaboration and understanding of the entire process rather than having fragmented parts of the process [1],[6],[9],[12]

2.2.3.3 Knowledge Utilizations

This includes the activities and events connected with the application of knowledge to business processes. Knowledge utilization refers to the degree to which the organization applies the knowledge resources that are shared across functional boundaries. It allows the organization to reap returns on its knowledge resource ^{[1],[5],[27]}.

3. Knowledge Management Performance Models

Performance measurement is one of most important management activities "what you measure is what you get". Performance measurement becomes the basis of strategy establishment and achievement in the future because it can definitely bring a company's vision and strategic target to all organization members as well as CEOs, and performs a role that makes efficient internal business processes possible. There are many researches reveal that corporate performance is significantly influenced by the KM activities [2],[5-6],[9-12],[16],[20],[30-34]

The evaluation of knowledge management (KM) performance has become increasingly important since it provides the reference for directing the organizations to enhance their performance and competitiveness. Many scholars had attempted to measure the contribution of the KM by different models like Lee & Choi ^[18]; Chang & Chuang ^[9]; Fan, et al. ^[4]; Gold, et al. ^[3]; Lee & Lee ^[2]; Liao & Chuang ^[11] and Zaim, et al. ^[1].

Recently, Smith, et al. ^[15] examined the relationship between knowledge management capabilities and organizational effectiveness utilizing a model developed by Gold, et al. ^[3]. They also attempted to link the knowledge management

capabilities to the business strategy postulating a further improvement organizational effectiveness. Theriou, et al. ^[16] identified and discussed the critical success factors or enablers that determine the KM effectiveness within organizations, which in turn influence the total performance of the firm. Enabler factors include leadership, culture, technology, KM strategy, and people. Firm performance includes market share, and profitability.

In 2011, Mills & Smith^[13] evaluated the impact of specific knowledge management resources (i.e. knowledge management enablers and processes) on organizational performance. Knowledge management capabilities divided into knowledge infrastructure capability and knowledge process capability. Also, Bhatti, et al.^[35] presented a conceptual framework model of process, intellectual capital, culture and strategy (PICS) for successful implementation of knowledge management. They concluded that the effective utilization of knowledge will not only create competitive advantage but also improve organizational performance.

4. Proposed Knowledge Management Performance Framework

Over the past several years, a number of authors had proposed a variety of approaches for classifying tools that typically comprise knowledge the management systems. This is not the first attempt to develop a framework for organizing and understanding knowledge management tools. This paper provides a framework for characterizing the knowledge management capabilities and assessing organizational performance capabilities. In accordance with the models proposed by Aujirapongpan, et al. ^[5]; Chang & Chuang [6]; Fan, et al. [4] and Gold, et al. [3], an integrated knowledge management capabilities framework for assessing organizational performance was developed. The framework assumes that organizational performance affected by organization knowledge management applications (infrastructure capabilities; process capabilities and functions). Five dimensions were selected to measure knowledge management process capabilities; these dimensions are acquisition, conversion, application, protections and storing.

Also, four dimensions were selected to measure knowledge management infrastructure capabilities these dimensions are technology, structure, culture and human resources. Seven indicators were proposed to measure organizational performance improvement opportunities through three main functions (creation, sharing and utilization) as shown in figure 1.



Fig 1: Proposed Knowledge Management Performance Models

The proposed framework can be expressed as follows:

$$(OP) = (KMI + KMP) * KMF$$

$$(OP) = m ((KMI + KMP) * KMF))$$

$$KMI = \sum_{i=1}^{4} (X_i * I_i)/4 \dots \dots \dots (1)$$

$$KMP = \sum_{j=1}^{5} (Y_j * I_j)/5 \dots \dots (2)$$

$$KMF = \sum_{k=1}^{3} (Z_k * I_k)/3 \dots \dots (3)$$

From equations 1; 2 & 3, the general equation is as follows:

$$OP = m \left[\sum_{i=1}^{4} (X_i * I_i)/4 + \sum_{j=1}^{5} (Y_j * I_j)/5 + \sum_{k=1}^{5} (Z_k * I_k)/3 \right] \dots (4)$$

Where:

OP = Organizational Performance

KMI = Knowledge Management Infrastructure

KMP = Knowledge Management Process

KMF = Knowledge Management Functions

 X_i = mean of knowledge management infrastructure dimensions

 Y_i = mean of knowledge management process dimensions

 Z'_{k} = mean of knowledge management functions dimensions

 I_{i} , I_{j} , I_{k} = degree of importance of KM infrastructure; process & functions dimensions

m = Correction factor depends on organization type (should be calculated in the first time when using this framework)

ı

5. Research Methodology

The main objective of this work is to investigate the correlation between knowledge management capabilities (infrastructure; processes and functions) organizational performance and propose an integrated knowledge management capabilities framework for assessing organizational performance. To fulfill the objective and achieve the goal, a questionnaire was designed to collect the required information.

5.1 Questionnaire Design

The questionnaire was designed based on Gold, et al. ^[3]; Lee & Choi ^[10]; Lee & Lee ^[2] and Smith, et al. ^[15] models. Several professors and IS professionals were interviewed to modify the statements, the final questionnaire consists of nineteen dimensions with eighty six statements (24 to measure KM infrastructure, 30 to measure KM process, 18 to measure KM functions and 14 to measure organizational performance) as shown in Appendix (I).

The participants were asked to rate their perception towards the knowledge management level within their organizations on a five-point Likert-type scale with anchors from "5- Strongly agree" to "1- Strongly disagree" and the relative importance for each KM applications dimensions.

5.2 Research Sample and Questionnaire Distribution

Organizations under study were large size organizations. Two conditions were applied to select these organizations: their experiences in knowledge management applications and their acceptance to participate. Forty five organizations belonging to three sectors (industrial; services and information technology) were selected based on a recommendation from Cairo Chamber of Commerce (CCC), Egypt. After personal contact, twenty seven organizations were agreed to participate in the study conditioning to hide their names. To assure the participants quick and correct response, the questionnaire copies submitted to supervisor persons. They have been asked to answer not more than 25 copies of the questionnaire. Some managers were very corporative and followed distribution of the questionnaire by themselves, but others didn't care about distributing the questionnaire. The total numbers of sent questionnaires were 675 copies and the received questionnaires were 485 copies with response rate 71.85 %. The majority of the participants are from organizations in the private sector (60.84 % working in private organizations and 39.16 % are working in public organizations). Also, most of them are working in Services sector (37.53 %) followed by IT sector 34.02% and Industrial sector 28.45%) as shown in Table 1.

Table 1 : Results of knowledge infrastructure capabilities

| Sector | | Organizati | T-4-1 | | | | |
|----------|---------------|-------------|---------------|-------------|---------------|-------------|--|
| | Priv | vate | Put | olic | Total | | |
| | No. of | No. of | No. of | No. of | No. of | No. of | |
| | organizations | respondents | organizations | respondents | organizations | respondents | |
| Services | 3 | 55 | 7 | 127 | 10 | 182 | |
| Industry | 5 | 87 | 3 | 51 | 8 | 138 | |
| IT | 8 | 153 | 1 | 12 | 9 | 165 | |
| Total | 16 | 295 | 11 | 190 | 27 | 485 | |

Twenty five questionnaires were randomly selected from the received questionnaires in each sector to use as control sample.

6. Results and Discussion

6.1 Results

The obtained results showing that the dimensions of knowledge management applications have different mean values according sector types as shown in Table 2. Pearson correlation was used to examine is there any correlation between knowledge management dimensions that include infrastructure; process and functions and organizational performance? The results show that the correlation coefficients are more than 0.7; it means that knowledge management dimensions have high significant correlation (strong positive correlation) with organizational performance.

The analysis results show that there is a strong positive correlation between knowledge management dimensions (infrastructure and process) and knowledge management functions. The results also show that there is a strong positive correlation between knowledge management functions and organizational performance as shown in Tables 3&4.

| edge ucture llities | Item | Service | | Industry | | | IT | | | |
|-------------------------------|----------------|---------|------------------|----------|------|---------------------------|------|------|---------------------------|------|
| | | Mean | \mathbf{I}_i | KMI | Mean | \mathbf{I}_i | KMI | Mean | \mathbf{I}_i | KMI |
| ow] str ab | Technology | 3.62 | 0.19 | | 3.71 | 0.35 | | 4.32 | 0.44 | |
| Cap Cap | Culture | 3.51 | 0.18 | 2 59 | 3.77 | 0.13 | 2.00 | 4.36 | 0.11 | 4 21 |
| | Structure | 3.44 | 0.21 | 3.50 | 3.39 | 0.27 | 3.09 | 4.21 | 0.19 | 4.31 |
| | Human resource | 3.66 | 0.42 | | 3.71 | 0.25 | | 4.33 | 0.26 | |
| a s | Item | Mean | \mathbf{I}_{j} | KMI | Mean | \mathbf{I}_{j} | KMI | Mean | \mathbf{I}_{j} | KMI |
| dg ss itie | Acquisitions | 3.54 | 0.18 | 3.52 | 3.58 | 0.15 | 3.73 | 4.19 | 0.18 | 4.32 |
| wle oce | Conversions | 3.49 | 0.16 | | 3.67 | 0.19 | | 4.27 | 0.17 | |
| Pr apa | Application | 3.54 | 0.16 | | 3.85 | 0.25 | | 4.37 | 0.19 | |
| U M | Protection | 3.43 | 0.25 | | 3.71 | 0.26 | | 4.24 | 0.28 | |
| | Storing | 3.61 | 0.25 | | 3.76 | 0.15 | | 4.31 | 0.18 | |
| edge ions | Item | Mean | I _k | КМІ | Mean | $\mathbf{I}_{\mathbf{k}}$ | КМІ | Mean | $\mathbf{I}_{\mathbf{k}}$ | КМІ |
| owl nct | Creation | 3.52 | 0.20 | | 3.63 | 0.30 | | 4.15 | 0.30 | |
| Knc | Sharing | 3.42 | 0.40 | 3.48 | 3.58 | 0.35 | 3.64 | 4.09 | 0.30 | 4.18 |
| H | Utilization | 3.52 | 0.40 | | 3.70 | 0.35 | | 4.28 | 0.40 | |
| Organizational Performance | | | 3.83 | | | 4.02 | | | 4.46 | |

Table 2 : Results of knowledge management applications

Table 3 : Correlation between KM Dimensions and KM Functions

| Itom | Correlation Coefficient | | | | |
|--------------|-------------------------|--|--|--|--|
| nem | KM Dimensions | | | | |
| KM Functions | 0.999401 | | | | |
| Creation | 0.999541 | | | | |
| Sharing | 0.999991 | | | | |
| Utilization | 0.990822 | | | | |

| | Correlation | Coefficient | | |
|------------------|-----------------|-----------------|--|--|
| Item | KM Functions | KM Functions | | |
| Organizational | | | | |
| Performance | 0.996972 | 0.999401 | | |
| Profitability | 0.998878 | 0.999991 | | |
| Productivity | 0.999917 | 0.999541 | | |
| Market Share | 0.995736 | 0.990822 | | |
| Competitiveness | 0.982617 | 0.989719 | | |
| Sales Growth | 0.992939 | 0.997136 | | |
| Innovativeness | 0.984878 | 0.991443 | | |
| Cost performance | 0.998511 | 0.999935 | | |

6.1 Framework Deployment

Organizational performance can be calculated using the proposed framework after calculating the correction factors as follows:

 $OP_{Services} = m [(3.58)/4 + (3.52)/5] * 3.48/3$ 3.83 = m (1.855)= 2.06*m*_{Services} $OP(Services) = 2.06 \left| \sum_{i=1}^{4} (X_i * I_i)/4 + \sum_{i=1}^{5} (Y_i * I_i)/5 \right| * \sum_{k=1}^{3} (Z_k * I_k)/3$ $OP_{Industry} = m [(3.89)/4 + (3.73)/5] * 3.64/3$ 4.02 = m (2.09) $m_{Industry} = 1.92$ $OP(Industry) = 1.92 \left[\sum_{i=1}^{4} (X_i * I_i)/4 + \sum_{i=1}^{5} (Y_j * I_j)/5 \right] * \sum_{k=1}^{3} (Z_k * I_k)/3$ $= m \left[(4.31)/4 + (4.32)/5 \right] * 4.18/3$ OP_{IT} 4.46 = m (2.71) m_{IT} = 1.65 $OP(IT) = 1.65 \left| \sum_{i=1}^{4} (X_i * I_i)/4 + \sum_{i=1}^{5} (Y_i * I_i)/5 \right| * \sum_{k=4}^{3} (Z_k * I_k)/3$

The framework is ready to use to assess (expect) the organizational performance based on knowledge management applications in each field. The results of the control sample are shown in Table 4.

The calculated and measured organizational performances for the three sectors are shown in Table 5.

The results show that the differences between calculated and measured organizational performances ranged between 0.4 % and 1.8 %. It means that the framework can be used to expect the organizational performances based on knowledge management applications.

| ę | T 4 | | Service | | Industry | | | IT | | |
|-------------------------------|----------------|------|---------------------------|------|----------|---------------------------|------|------|---------------------------|------|
| vledge tructur bilities | Item | Mean | \mathbf{I}_i | KMI | Mean | \mathbf{I}_i | KMI | Mean | \mathbf{I}_i | KMI |
| | Technology | 3.40 | 0.19 | | 3.93 | 0.35 | 2.52 | 4.34 | 0.44 | |
| nov rasi | Culture | 3.59 | 0.18 | 2 51 | 3.68 | 0.13 | | 4.38 | 0.11 | 4 22 |
| ũ lữ K | Structure | 3.33 | 0.21 | 5.51 | 3.45 | 0.27 | 5.72 | 4.22 | 0.19 | 4.55 |
| | Human resource | 3.61 | 0.42 | | 3.72 | 0.25 | | 4.36 | 0.26 | |
| a) % | Item | Mean | \mathbf{I}_{j} | KMI | Mean | \mathbf{I}_{j} | KMI | Mean | \mathbf{I}_{j} | KMI |
| dg ss ittie | Acquisitions | 3.53 | 0.18 | 3.63 | 3.77 | 0.15 | 3.74 | 4.18 | 0.18 | 4.29 |
| wle oce | Conversions | 3.56 | 0.16 | | 3.72 | 0.19 | | 4.30 | 0.17 | |
| Pro | Application | 3.74 | 0.16 | | 3.71 | 0.25 | | 4.38 | 0.19 | |
| C K | Protection | 3.64 | 0.25 | | 3.74 | 0.26 | | 4.25 | 0.28 | |
| | Storing | 3.68 | 0.25 | | 3.76 | 0.15 | | 4.33 | 0.18 | |
| edge ions | Item | Mean | $\mathbf{I}_{\mathbf{k}}$ | KMI | Mean | $\mathbf{I}_{\mathbf{k}}$ | KMI | Mean | $\mathbf{I}_{\mathbf{k}}$ | KMI |
| owl nct | Creation | 3.49 | 0.20 | | 3.70 | 0.30 | | 4.17 | 0.30 | 4.20 |
| Kno Fui | Sharing | 3.45 | 0.40 | 3.53 | 3.53 | 0.35 | 3.60 | 4.11 | 0.30 | |
| H · · | Utilization | 3.62 | 0.40 | | 3.57 | 0.35 | | 4.29 | 0.40 | |
| Organizational Performance | | | 3.79 | | | 3.92 | | | 4.46 | |

Table 4 : Results of control sample

Table 5 : Organizational performances

| Sector | Organizational Performance | | | | | | |
|----------|----------------------------|----------|------------|-------|--|--|--|
| Sector | Calculated | Measured | Difference | % | | | |
| Services | 3.88 | 3.81 | 0.07 | 1.80% | | | |
| Industry | 3.87 | 3.92 | 0.05 | 1.30% | | | |
| IT | 4.44 | 4.46 | 0.02 | 0.40% | | | |

7. Conclusion

A critical issue in adoption of knowledge management initiatives is the preliminary preparation of the organization to accept, adopt, and utilize new knowledge management processes. Many organizations still view knowledge management as launching some software programs without adequate consideration of their organizational characteristics to ensure the success of their knowledge management initiatives. Wei, et al suggested further research to investigate the relationship between degrees of knowledge management implementation within an organization and corresponding increases in organizational performance. Therefore, the purpose of this work is to provide a conceptual framework to describe the KM dimensions and address its relationship with organizational performance ^[36]. The results show that there is positive correlation between knowledge management capabilities and organizational performance. These results indicate that the KM dimensions are well implemented in IT sector followed by Industrial and Services sectors. The highest dimension in Services sector that affects organizational performance is human resources and has mean value of 3.66; whereas, culture is the highest dimension in Industrial and IT sectors and has mean values of 3.77; and 4.36 respectively. In knowledge management process, the highest dimension in Services sector that affects organizational performance is storing and has mean value of 3.61; whereas, applications is the highest dimensions in Industrial and IT sectors and has mean values of 3.85; and 4.37 respectively. The results also show that the proposed framework can be used to assess organizational performance and also can be used as decision tool to decide which knowledge management capability should be improved.

References

[1] Zaim H., Tatoglu E. & Zaim S., "Performance of knowledge management practices: a causal analysis", *Journal of Knowledge Management*, 2007, 11(6): 54-67.

[2] Lee Y. & Lee S., "Capabilities, Processes, and Performance of Knowledge Management: A Structural Approach", *Human Factors and Ergonomics in Manufacturing*, 2007, 17(1): 21–41.
[3] Gold A. Malhotra A. & Segars A., "Knowledge management: an organizational capabilities perspective", *Journal of Management Information Systems*, 2001, 18(1):185-214.

[4] Fan Z., Feng B., Sun Y. & Ou W., "Evaluating knowledge management capability of organizations: a fuzzy linguistic method", *Expert Systems with Applications*, 2009, 36: 3346–3354.

[5] Aujirapongpan S., Vadhanasindhu P., Chandrachai A. & Cooparat P., "Indicators of knowledge management capability for KM effectiveness", *The journal of information and knowledge management systems*, 2010, 40(2): 183-203.

[6] Chang T. & Chuang S., "Performance implications of knowledge management processes: Examining the roles of infrastructure capability and business strategy", *Expert Systems with Applications*, 2011, 38: 6170–6178.

[7] Filemon A. & Uriarte J., "Introduction to Knowledge Management", ASEAN Foundation, Jakarta, Indonesia, 2008.

[8] Yeh Y., Lai S. & Ho C., "Knowledge management enablers: a case study", *Industrial Management & Data Systems*, 2006, 106(6): 793-810.

[9] Chang T. & Chuang S., "Performance Effects of Knowledge Management: Corporate Management Characteristics and Competitive Strategy Enablers", *Asian Journal of Management and Humanity Sciences*, 2009, 4(4): 181-199.

[10] Lee H. & Choi B., "Knowledge management enablers, processes, and organizational performance: An integrative view and empirical examination", *Journal of Management Information Systems*, 2003, 20(1): 179–228.

[11] Liao C. & Chuang S., "Exploring the Role of Knowledge Management for Enhancing Firm's Innovation and Performance", *39th Hawaii International Annual Conference on System Sciences*, USA, 2006: 1-10.

[12] Liao C., Wang H., Chuang S., Shih M., & Liu C., "Enhancing knowledge management for R&D innovation and firm performance: An integrative view", *African Journal of Business Management*, 2010, 4(14): 3026-3038.

[13] Mills A. & Smith T., "Knowledge management and organizational performance: a decomposed view", *Journal of Knowledge Management*, 15(1): 156-171.

[14] Nguyen Q., Neck P., & Nguyen T., "The Critical Role of Knowledge Management in Achieving and Sustaining Organizational Competitive Advantage", *International Business Research*, 2009, 2(3): 3-16.

[15] Smith T., Mills A. & Dion P., "Linking Knowledge Management Capabilities to the Business Strategy for Organizational Effectiveness", *International Journal of Knowledge Management*, 2010, 6(3): 22-43.

[16] Theriou N., Maditinos D., & Theriou G., "Knowledge Management Enabler Factors and Firm Performance: An empirical research of the Greek medium and large firms". *International Conference on Applied Business and Economics*, Technological Educational Institute of Kavala, Kavala, Greece, 2010: 1-20.

[17] Lee L. & Sukoco B., "The effects of entrepreneurial orientation and knowledge management capability on organizational effectiveness in Taiwan: the moderating role of social capital", *International Journal of Management*, 2007, 24(3): 549-573.

[18] Chan I. & Chao C., "Knowledge management in small and medium-sized enterprises", *Communications of the ACM*, 2008, 51(4): 83–88.

[19] Cui A. Griffith D. & Cavusgil S., "The Influence of Competitive Intensity and Market Dynamism on Knowledge Management Capabilities of MNC Subsidiaries", *Journal of International Marketing*, 2005, 13(3): 32-53.

[20] Kasim R. (2010) "The Relationship of Knowledge Management Practices, Competencies and the Organizational Performance of Government Departments in Malaysia", *International Journal of Human and Social Sciences*, 2010, 5(4): 219-225.

[21] Zahra S. & George G., "Absorptive capacity: A review, reconceptualization, and extension", *Academy of Management Review*, 2002, 27(2): 185-203.

[22] Bhatt G, "Management strategies for individual knowledge and organizational knowledge", *Journal of Knowledge Management*, 2002, 6(2): 31-39.

[23] Daud S. & Yusuf W., "An Empirical Study of Knowledge Management Processes in Small and Medium Enterprises", *Communications of the IBIMA*, 2008, 4: 169-177.

[24] Sarin S, & McDermott C., "The effect of team leader characteristics on learning, knowledge application, and performance of cross-functional new product development teams", *Decision Science*, 2003, 34(2): 707–39.

[25] Weisberg R. "Expertise and reason in creative thinking: evidence from case studies and the laboratory". In: Kaufman J. & Baer J, "Creativity and Reason in Cognitive Development. Cambridge", Cambridge University Press; 2006.

[26] Lee M. & Lan Y., "Toward a unified knowledge management model for SMEs", *Expert Systems with Applications*, 2011, 38: 729–735.

[27] Argote L, McEvily B, & Reagans R., "Managing knowledge in organizations: an integrative framework and review of emerging themes", *Management Science*, 2003, 49(4): 571–582.

[28] Nonaka I., Von-Krogh G., & Voelpel S., "Organizational knowledge creation theory: Evolutionary paths and future advances", *Organization Studies*, 2006, 27: 1179–1208.

[29] Alavi M. & Leidner D., "Review: knowledge management and knowledge management systems: Conceptual foundations and research issues", *MIS Quarter*, 2001, 25(1): 107–136.
[30] Anantatmula V. & Kanungo S., "Structuring the

[30] Anantatmula V. & Kanungo S., "Structuring the underlying relations among the knowledge management outcomes", *Journal of Knowledge Management*, 2006, 10(4): 25-42.

[31] Chen M. Huang M. & Cheng Y., "Measuring knowledge management performance using a competitive perspective: An empirical study", *Expert Systems with Applications*, 2009, 36: 8449–8459.

[32] Harrim H., "Learning Organization and Organizational Performance Relationship: Empirical Study of Pharmaceutical Firms In Jordan", Jordan Journal of Business Administration, 2010, 6(3): 405-424.

[33] Lee K., Lee S. & Kang I., "KMPI: measuring knowledge management performance", *Information & Management*, 2005, 42(3): 469–482.

[34] Zack M., McKeen J. & Singh S., "Knowledge management and organizational performance: an exploratory analysis", *Journal of Knowledge Management*, 2009, 13(6): 392-409.

[35] Bhatti W., Zaheer A. & Rehman K., "The effect of knowledge management practices on organizational performance: A conceptual study", *African Journal of Business Management*, 2011, 5(7): 2847-2853.

[36] Wei Z., Baiyin Y. & Gary N., "Linking organizational culture, structure, strategy, and organizational effectiveness: Mediating role of knowledge management", Journal of Business Research, 2010, 63: 763–771.

Abdel Nasser H. Zaied is a Vice-dean for education and students affairs, College of Computers and Informatics, Zagazig University, Egypt. He previously worked as an Associate Professor of Industrial Engineering, Zagazig University Egypt; an assistant professor of Technology Management, Arabian Gulf University, Bahrain; and as visiting professor at Oakland University, USA. He supervised 8 PhD. thesis and 37 MSc. thesis, and examined 32 MSc thesis. He published fifteen research papers in International and Regional Journals and 22 research papers in International and National conferences. His areas of research are: Systems Analysis and Design; Information Security; Knowledge Management; Quality Management Systems and project Management.

| Appendix (1): Questionnaire Statements | | | | | | | |
|--|--------------------|---------------------|----------------------|-----------------------|----------------|-------------------|--|
| Deletive | technology | atements of Kild | oulture | bumon room | | Total | |
| Kelative | technology | structure | cuiture | numan res | Jurces | 10tai 1000/ | |
| | ization movides l | T aumnout for as | llah anatiwa wanka | magandlaga of time | and place | 100% | |
| Our organization provides IT support for communication among againing of the and place | | | | | | | |
| 2. Our organi | zation provides I | I support for co | | ong organization m | embers. | | |
| 3. We have e | asy computer acc | tess to the inform | hation we need to | do our jobs. | | | |
| 4. Our organi | ization provides I | T support (e.g., | groupware) for in | formation acquisiti | on. | | |
| 5. Our organi | zation provides I | T support (e.g., | intranet) for infor | mation sharing. | | | |
| 6. Our organi | zation provides I | T support for sy | stematic storing. | <u> </u> | 1 | | |
| 7. Our organi | zation provides | various formal tr | aining programs 1 | for performance of | duties. | | |
| 8. Our organi | zation provides j | ob rotation for e | mployees to deve | lop themselves | · | | |
| 9. There is a | willingness to co | Ilaborate across | organizational un | its within our organ | iization. | | |
| 10. Our organi | zation members | are helpful. | | | | | |
| 11. Our organi | zation members | are generally tru | stworthy | | 1 | | |
| 12. Our organi | ization members | have reciprocal | faith in others' bel | haviors to work tow | ard organizat | ional goals. | |
| 13. Our organi | ization members | are encouraged | to make their own | decisions. | | | |
| 14. Our organi | zation members | can make decisi | ons without appro | oval. | | | |
| 15. Our organi | zation members | do not need to a | sk their superviso | r before action. | | | |
| 16. In our orga | anization there ar | e many activities | s that are not cove | ered by some forma | l procec | lures. | |
| 17. In our orga | anization member | rs make their ow | n rules on the job | | | | |
| 18. In our orga | anization rules an | d procedures are | e typically written | • | | | |
| 19. Our organi | zation members | can understand 1 | not only their own | tasks but also othe | rs' tasks. | | |
| 20. Our organi | ization members | are specialists in | their own part. | | | | |
| 21. Our organi | ization members | can perform their | ir own task effecti | vely without regard | l to environm | ental changes. | |
| 22. Our organi | ization members | think that their c | own tasks are the 1 | region employing k | nowledge. | | |
| 23. Our organi | zation members | can communicat | te well not only w | ith their departmen | t members bu | t also with other | |
| departmen | t members. | | | | | | |
| 24. Our organi | zation members | are supportive for | or knowledge sha | ring & creation. | | | |
| | - | Statements of | knowledge proc | ess capabilities | | - | |
| Relative | acquisition | conversion | application | protections | storing | Total | |
| Importance | | | | | | 100% | |
| 1. Our organi | zation has proces | sses for acquirin | g knowledge abou | at our customers. | | | |
| 2. Our organi | zation has proce | sses for generating | ng new knowledg | e from existing kno | wledge. | | |
| 3. Our organi | zation has proces | sses for acquirin | g knowledge abou | ut our suppliers. | | | |
| 4. Our organi | zation uses feedl | back from projec | ts to improve sub | sequent projects. | | | |
| 5. Our organi | zation has proces | sses for acquirin | g knowledge abou | at competitors with | in our industr | у. | |
| 6. Our organi | zation has proces | sses for exchang | ing knowledge be | etween individuals. | | | |
| 7. Our organi | zation has proces | sses for converti | ng knowledge inte | o the design of new | products/serv | vices. | |
| 8. Our organi | zation has proce | sses for filtering | knowledge. | | | | |
| 9. Our organi | zation has proces | sses for transferr | ing organizationa | l knowledge to indi | viduals. | | |
| 10. Our organi | zation has proces | sses for absorbin | ig knowledge from | n individuals into th | ne organizatio | on | |
| 11. Our organi | zation has proce | sses for organizi | ng knowledge. | | | | |
| 12. Our organi | zation has proce | sses for replacing | g outdated knowle | edge. | | | |
| 13. Our organi | zation has proce | sses for applying | g knowledge learn | ed from mistakes. | | | |
| 14. Our organi | zation has proce | sses for applying | g knowledge Lear | ned from experienc | es. | | |
| 15. Our organi | zation has proces | sses for using kn | owledge to solve | new problems. | | | |
| 16. Our organi | ization uses know | vledge to improv | e efficiency. | - | | | |
| 17. Our organi | ization quickly ap | oplies knowledge | e to critical compe | etitive needs. | | | |
| 18. Our organi | zation Makes kn | owledge accessi | ble to those who | need it. | | | |
| 19. Our organization has processes to protect knowledge from inappropriate use inside the organization. | | | | | | | |
| 20. Our organization has processes to protect knowledge from inappropriate use outside the organization. | | | | | | | |
| 21. Our organization has incentives that encourage the protection of knowledge. | | | | | | | |
| 22. Our organization has technology that restricts access to some sources of knowledge. | | | | | | | |
| 23. Our organization has extensive policies and procedures for protecting trade secrets. | | | | | | | |
| 24. Our organization Knowledge that is restricted is clearly identified. | | | | | | | |
| 25. Our organization stresses representing knowledge in documents, databases, and software. | | | | | | | |
| 26. I always find the precise knowledge I need. | | | | | | | |
| 27. I always find the sufficient knowledge to enable me to do my tasks. | | | | | | | |
| 28. The specif | ic knowledge that | t I need resides | with the experts r | ather than being sto | red in the por | tal. | |
| 29. The knowl | edge stored in th | e portal cannot h | be directly applied | l without extensive | modifications | 5. | |
| 30. The stored | knowledge in vo | our organization | is quite important | , relevant and lates | t. | | |
| | in trage in ye | Statamor | te of knowledge | functions | · · | | |
| Statements of knowledge functions | | | | | | | |

| Relative | creation | sharing | utilization | Total | | | | | |
|--|---|--|--------------------------------------|------------------|--|--|--|--|--|
| Importance | | | | 100% | | | | | |
| 1. Our organiz | 1. Our organization creates new knowledge for application across functional boundaries. | | | | | | | | |
| 2. Our organization creates operation systems for application across functional boundaries. | | | | | | | | | |
| 3. Our organiz | zation creates ma | anagerial policies and processes for | r application across functional b | oundaries | | | | | |
| 4. Our organiz the knowle | zation always pro | ovides the necessary sources (inter fill my job effectively | rnet, publications, collages, etc) t | for me to create | | | | | |
| 5. Our organiz | zation provides of | opportunities on a regular basis to | attend training internally to enha | nce knowledge | | | | | |
| 6. Our organiz | zation stresses ge | enerating new knowledge. | | | | | | | |
| 7. Our organiz | zation engages ir | the process of distributing knowl | edge among departments. | | | | | | |
| 8. Our organiz | zation has a stan | dardized reward system for sharing | g knowledge. | | | | | | |
| 9. Our organiz | zation designs ac | tivities to facilitate knowledge sha | aring across functional boundarie | es. | | | | | |
| 10. Our organiz boundaries | zation engages in | n processes of integrating different | sources of knowledge across fu | nctional | | | | | |
| 11. Our organiz | zation engages ir | n processes of transferring knowle | dge to employees across function | nal boundaries. | | | | | |
| 12. We make g | ood use of techn | ologies (e.g. tele/ video-conferenc | ing, groupware) to share information | ation on | | | | | |
| products an | nd processes with | in the organization. | | | | | | | |
| 13. Our organiz | zation engages ir | processes which apply experient | ial knowledge across functional | ooundaries. | | | | | |
| Our organizes boundaries | zation engages in | n processes which apply knowledg | te to solve new problems across | functional | | | | | |
| 15. Our organiz | zation stresses us | sing accessible knowledge in decis | sion making. | | | | | | |
| 16. Our organiz | zation has proces | sses for using knowledge in develo | opment of new products/services | | | | | | |
| 17. Our organiz | zation uses know | ledge to adjust strategic direction. | | | | | | | |
| 18. Our organiz | zation is able to | ocate and apply knowledge to cha | inging competitive conditions. | | | | | | |
| - | | Statements of organizational | performance | | | | | | |
| 1. Our organiz | zation has more | Productivity than its key competite | ors | | | | | | |
| 2. Using KM | increases my pro | oductivity. | | | | | | | |
| 3. Our organiz | zation is more pr | ofitable than its key competitors | | | | | | | |
| 4. KM improv | ves Profitability | | | | | | | | |
| 5. Our organiz | zation has a grea | ter market share than its key comp | petitors | | | | | | |
| 6. KM improv | 6. KM improves Market Share | | | | | | | | |
| 7. Our organiz | 7. Our organization has a greater sales growth than its key competitors | | | | | | | | |
| 8. KM improves Sales Growth | | | | | | | | | |
| 9. Our organization is more innovative than its key competitors | | | | | | | | | |
| 10. Over the past two years, my organization has improved its ability to Innovate new products/services. | | | | | | | | | |
| 11. We frequently look for ways to improve cost effectiveness of our selling and promotional activities. | | | | | | | | | |
| 12. KM improves Cost performance | | | | | | | | | |
| 13. If a major c response in | competitor launc | hes an intensive campaign targeted | d at our customers, we would imp | plement a | | | | | |
| 14. We often cl | hange the range | of products or services that we offe | er. | | | | | | |
| | 0 | 1 | | | | | | | |