Knowledge Management Orientation and Organizational Performance: Developing a Conceptual Framework

Jayampathi, E. K.¹, De Alwis, A. C.² and Razi, M. J. M.³

Knowledge Management is identified as a strategic asset of an organization which leads to competitive advantage and superior performance. Knowledge Management Orientation (KMO) is one of the systematic approaches that use to examine the knowledge behavior of individuals in an organization. Firms invest a huge amount of money on KM oriented programs, the result obtained is contradictory. The study aims to develop a conceptual framework to understand the relationship between KMO and organizational performance (OP). A systematic literature review was conducted to identify the research gaps and limitations of the literature based on reputed scholarly journals. As KMO literature failed to reveal unanimity findings on KMO-OP, the study hypothesis the mediating effect of organizational agility as a dynamic capability of the firm to uncover the relationship between KMO and OP. Additionally, the study uncovers knowledge reuse as an important determinant of KMO which plays a significant role in knowledge management and extend benefits in the long run. Further, the study attempts to identify the environmental turbulence as a mediator to understand the inconclusiveness of KMO-OP combination. The study provides insights for mangers to develop strategies to incorporate organizational creativity introducing KMO practices. The model proposed in the study has not empirically tested yet and still in the conceptualization stage, and difficult to come across a conclusion based on the study. Future researchers can deploy the proposed model to explain the factual evidence of the KMO-OP relationship. Moreover, future studies may be intelligent to consider different variables such as size of the firm, human factors, organizational climate, leadership style, organizational learning, and entrepreneurial inclination to envisage the KMO-OP relationship.

Keywords: Environmental turbulence, KMO, Knowledge reuse, Organizational agility, Performance

¹ Faculty of Graduate Studies, University of Kelaniya, Sri Lanka [Jayampathik@mgt.ruh.ac.lk]

² Department of Human Resource Management, Faculty of Commerce and Management Studies, University of Kelaniya, Sri Lanka [chamaru@kln.ac.lk]

³ Department of Commerce and Financial Management, Faculty of Commerce and Management Studies, University of Kelaniya, Sri Lanka [razim@kln.ac.lk]