

Knowledge Management Environment as a Tool for Enhancing Employees' Job Performance in Small and Medium Enterprises in Ogun State

Isaac Jolaade¹ & James Orija²

Department of Office Technology and Management, Federal Polytechnic, Ilaro, Ogun State, Nigeria
isaac.jolaade@federalpolyilaro.edu.ng¹; james.oriya@federalpolyilaro.edu.ng²

Abstract

Knowledge Management Environment (KME) is the term used in motivating and enabling knowledgeable individuals to use, share and create new knowledge. This study investigated how Knowledge Management Environment (KME) could serve as a tool for enhancing employees' job performance in small and medium enterprises in Ogun State. This study was carried out among some selected SMEs in the three Senatorial Districts of Ogun State, Nigeria (30 from each district). In carrying out the study, two research questions were raised from where the instrument used to gather information from the respondents was developed. A total number of ninety (90) respondents were selected using purposive sampling technique from the three Senatorial Districts in Ogun State (Ogun East, Ogun Central and Ogun West). Also, ninety copies of the questionnaire were produced and administered on the respondents. However, eighty-two (82) copies of the questionnaire were retrieved. The data gathered were analysed using the mean method. The study concluded that the existence of Knowledge Management Environment in any place of work leads to higher productivity. This in no small measure has been contributing to the economic development of Ogun State. It was recommended that experienced employees should share knowledge with the new entrants to enable them to gain from their expertise to enhance job performance in small and medium enterprises in Ogun State, Nigeria.

Keywords: Knowledge Management, Knowledge Management Environment, SMEs, Employees' Performance

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1. Introduction

In today's business environments, activities are depicted by impediments on a large-scale. In the knowledge repository of every organisation, how new ones are created, and the way the existing knowledge is used to compete among equals is indispensable to its performance. The organisation's proficiency is based on knowledge repository and is fundamental to its capability in maintaining viable position among rivals to sustain an extremely aggressive economy (Wang & Noe, 2010). According to Gao, Li & Clarker (2008), knowledge is seen as records, information, employees' acumen, abilities, know-how, thoughts, and wisdom. It is workers' competency which depends on expertise and information that facilitates individuals' understanding and resides in human minds (Pircher & Pausits, 2011).

The most excellent worth of organisations' is achieved and maintained when managers proactively manage knowledge as this will also guarantee their progress. Furthermore, employees' capability of handling knowledge in an organisation, identification of the areas that need to be managed, ability to deal with challenges, make predictions, innovate and take steps that will enhance performance (Prusak, (1996) in Squeir (2006).

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Managing knowledge effectively is germane to organisations whose outdoing competitors are significant to and, on the other hand, sustains growth. However, knowledge being workers' veritable tool is vital to breakthrough associated with knowledge management environment that should be managed to resolve some compound issues facing organisations (Jasimuddin, 2008). Fiorita, Bozeman, Young & Meurs (2007) posited that well-organised and successful management of knowledge enhances workers' commitment towards job performance, higher productivity, reduction in labour turnover and increase in punctuality at work.

Knowledge Management (KM) according to Allan (2003) is a logical system used to obtain, arrange, maintain, share, implement, and as well used in replenishing organisations' intrinsic and extrinsic knowledge toward job performance. It is an organisational structure that facilitates effective harmonisation between employees' expertise in improving organisational performance (De Freitas & Yaber, 2018). Horwitch & Armacost (2002), asserted that it is the method used in forming, executing, changing and piling-up of resources to be used in planning strategies for productivity enhancement. Hence, knowledge management aids in discovering organisational features that must be restructured challenges to be addressed and prospects in an environment where knowledge blooms (Ponelis & Fairer-Wessels, 1998).

Omotayo (2015) opined that an appropriate Knowledge Management strategic plan should not rely only on distributed knowledge but its environment. In other words, the success of implementing Knowledge Management in organisations is practicable in Knowledge Management Environment. Also, De Brun (2005), highlighted that the application of knowledge management modus operandi within organisations should embrace crafting for knowledge environment where knowledge management practices take place to enable efficient use of knowledge management devices. Garita (2015) posited that Knowledge Management should guarantee the existence of valuable information which must be available to the right users at the appropriate time to become organisations' resource and also transformed into organisations' knowledge. Consequently, Knowledge Management converts intellectual capabilities and information into valuable organisations' resource, which links employees with the required knowledge to make decisions and take actions (Iro-Idoro & Jimoh, 2019). Pruzinsky & Mihalcova (2017), described Knowledge Management Environment (KME) as the practice of knowledge management that takes place where Knowledge-Facilitators exhibit their competencies by using, distributing, and forming new knowledge. Hence, knowledge management is required for effective job performance of workers in both small and medium enterprises (SMEs).

Small and Medium Enterprises (SMEs) can be described as organisations which embark on small-scale businesses and provide jobs to ease the problem of unemployment. According to Wikipedia the Free Encyclopedia (2020), SMEs are recognised by World Bank, European Union, United Nations and World Trade Organization (WTO) as organisations which encourage innovation and reasonable competition among business concerns. Mekwunye (2018) stated that SMEs are identified by their investment-base, capabilities, ventures, yearly profits, economic feasibilities and workers strength, which mostly comprised of entrepreneurs that have a small number of employees. Also, Hans-Werner & Ruggiera (2020) opined that they are organisations whose workforce amount to two hundred and fifty (250); deep-rooted in entrepreneurship, innovations, employment generation and provide the backbone for the large-scale economy.



In Management Environment, knowledge management processes reveal knowledge-creating concerns as a continuous innovation creator; therefore, communicating innovative ideas, linking them with the accessible information from the knowledge repository for dissemination to the right users to create a valuable organisational resource. Thus, producing an organisation's resource depends on workers' incessant exchange of implicit and explicit ideas (Squeir, 2006). Tacit knowledge, according to De Brun (2005), resides in human minds while Explicit Knowledge is the codified knowledge (i.e. documents that can be found in the organisations' files as records). Enhancing knowledge management activities in organisations should be carried out by all stakeholders in the work environment. But, this activity must aid the growth of organisations' knowledge asset and also facilitate easy flow of information to the right users at the appropriate time to be in line with the organisations' plan (Emil, 2018).

Today, many organisations are concerned with the usage of knowledge as an essential resource and how to devise their organisational strategies to maximise profits. This is based on the fact that knowledge is being seen as a vital organisation's asset, which is to be used in a vibrant knowledge management environment. Despite benefits derived from Knowledge Management Environment, some organisations, most especially the Small and Medium Scale Enterprises, have not been able to identify the potentials of their workers for optimal productivity. Even where workers display their skills and knowledge, enabling environment was not provided by the management. This, in one way or the other, has been affecting job productivity of the organisation.

The study, therefore, investigated the effect of Knowledge Management Environment (KME) on the job performance of employees in Small and Medium Enterprises (SMEs) in Ogun State. It also determined the extent to which Knowledge Management Environment could enhance the productivity of the Small and Medium Enterprises in Ogun State.

2. Methodology

The study was a survey carried out in a sample used to be comprising of some selected SMEs in the three Senatorial Districts of Ogun State. A total number of ninety (90) respondents were selected. Thirty respondents were selected from Ogun West, Thirty from Ogun Central and Thirty from Ogun East Senatorial Districts of the State. The questionnaire was the main instrument used to gather data for the study. The instrument was validated by the Knowledge-based Experts. The instrument consists of thirteen-question item seeking information on Knowledge Management Environment (KME) on the job productivity of Small and Medium Enterprises (SMEs) in Ogun State. Respondents were asked to pick the most preferred option out of four provided for in the item of questionnaire.

For purposeful analysis, values were assigned to the four options provided in the instrument and Ninety (90) copies of questionnaire were produced and sampled by researchers on selected respondents used for the study. However, Eighty-two (82) questionnaires administered were retrieved. Mean method was used to analyse the data collected. A minimum of 2.5 scores was set as the standard for acceptability of any research question.

3. Result

Table 1: Knowledge Management Environment influence on employees’ job performance

Questionnaire Items	SA	A	D	SD	Total	Mean
1. KME leads to employees’ innovation.	49	33	-	-	82	3.59
2. It enables prompt knowledge usage.	43	39	-	-	82	3.53
3. It facilitates easy knowledge sharing.	48	31	03	-	82	3.62
4. It aids in creating of new knowledge.	42	32	08	-	82	3.41
5. It assists in reorganising firms’ culture.	50	32	-	-	82	3.61
Grand Mean =	3.55					

Table 2: Extent to which application of KME enhances SMEs job productivity

Questionnaire Items	SA	A	D	SD	Total	Mean
6. KME identifies area of weaknesses.	38	44	-	-	82	3.46
7. It rewrites new operational format.	52	30	-	-	82	3.63
8. It enforces new innovative ideas.	40	33	09	-	82	3.38
9. It creates continuous innovative opportunities.	68	14	-	-	82	3.83
10. It improves organisations’ knowledge strengths.	42	40	-	-	82	3.51
11. It strengthens the identified weaknesses.	23	39	07	03	82	2.76
12. It prevents threat to knowledge storage.	35	45	02	-	82	3.40
13. It aids in knowledge applications.	50	32	-	-	82	3.72
Grand Mean =	3.46					

4. Discussion

Questions One to Five in detailed in Table 1 were used to gather data on the research question one. The results were 3.59, 3.52, 3.62, 3.41 and 3.61, respectively, which revealed that the research question was accepted. Based on the results gathered from the study, the Grand Mean of 3.55 was generated, which reflects that the respondents were of the opinion that KME influences employees’ job performance. The result of this study collaborates with Morgeson & Humphrey (2006) views that the practice of managing knowledge amount to having an excellent work environment which enhances workers’ performance and productivity.

Also, it is in consonance with Fiorita *et al.* (2007), that well-organised and successful management of knowledge enhances workers’ commitment towards job performance, higher productivity, reduction in labour turnover and increase in punctuality at work. The findings supported the assertion of De Freitas & Yaber (2018) that it facilitates effective harmonisation between employees’ expertise in improving organisational performance. Therefore, Knowledge Management Environment is an arrangement whereby an organisation coordinates information and the workforce to ensure an understandable knowledge environment exists (Almuiñas *et al.*, 2015).

Questions Six to Thirteen were used to gather data on research question two. The results were shown as 3.46, 3.63, 3.38, 3.83, 3.53, 2.76, 3.40 and 3.72, respectively, while the Grand Mean is 3.46 as an indication that the research question was accepted. This is in consonance with Pruzinsky *et al.* (2017) belief that Knowledge Management Environment (KME) allows its practice to take place where Knowledge-Facilitators exhibit their competencies by using, distributing and forming new knowledge. It makes available, aids and boosts an appropriate knowledge environment within an organisation.

The result of this study was in line with Gharakhani (2012) views on the importance of management to organisations which innovate in crafting for organisational productivity. Also, it was in agreement with Chen (2011) that Knowledge Management supports organisations to effect necessary changes to goods and services and as well as re-strategise for optimum organisational performance.

5. Conclusion

Knowledge Management Environment creates an enabling atmosphere for knowledge management activities to thrive. It is where the Knowledge Management x-rayed its components and getting them prepared for implementation. In essence, Knowledge Management Environment creates the right kind of setting where techniques are used to improve and stimulate enabling environment to manage the knowledge of workers for innovation and creativity towards efficient job performance. It also identifies the barriers to productivity, remove them and as well build on the enablers of knowledge management processes towards enhancing productivity of Small and Medium Enterprises in Ogun State.

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