

THE ROLE OF KNOWLEDGE MANAGEMENT ON ORGANISATIONAL EFFECTIVENESS: ORGANISATIONAL CULTURE AS THE MODERATOR

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ABSTRACT

This research was conducted to investigate the relationship between three underlying dimensions of knowledge management, i.e. knowledge acquisition, knowledge dissemination and responsiveness to knowledge; and organisational effectiveness with organisation culture as the moderator. Questionnaires were distributed to 159 respondents who held the position of supervisor and above in the manufacturing sector in Malaysia. The results of this study indicated that two dimensions of knowledge management namely knowledge dissemination and responsiveness to knowledge are significant and positively related to organisation effectiveness. Lastly, the results indicated that the organisation culture does not moderate any of the relationships between knowledge management and organisation effectiveness.

Keywords: Knowledge Management; Organisational Effectiveness; Organisational Culture; Manufacturing Sector; PLS-SEM.

1. INTRODUCTION

Knowledge management (KM) is considered as one of the important aspects in every organisation. Past researchers such as Kim and Hancer (2010), posit that KM is the practice of capturing and developing individual and collective knowledge in an organisation. Implementing KM enables the organisation in becoming more flexible and better at responding to intense global competition. By implementing KM, it allows knowledge to be shared among the employees who will eventually lead to organisational effectiveness and gaining competitive advantages. Past research have underlined a positive relationship between knowledge management and the organisation effectiveness (Munir et al., 2013). Additionally, organisational culture will contribute in

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