Knowledge Management and Performance of Faith-Based Organizations in Bayelsa State Nigeria

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Abstract

This paper investigated knowledge management and performance of faith-based organisations in Bayelsa State. To achieve the objectives of the study, this paper used quantitative and qualitative research methods. The study selected a survey design method and used a questionnaire instrument to collect data. The total population of the study consists of a staff of selected Faith-Based Organizations in Yenagoa, Bayelsa State. The researcher judgmentally selected 10 churches because the population was infinite and the choice of the selected organisations was based on size. The convenience sampling method was adopted, and 25 participants were selected from each organisation that sum-up to 250 participants and they were randomly selected using raffle draw. The participants qualified to be selected were workers in the faith-based organisations. The questionnaire instrument had its response options based on the 5 points Likert Scale that ranged from strongly agree to strongly disagree. To make sure there was consistency, the questionnaire was served to the staff of selected Faith-based organizations and their responses were validated as an outcome of the corrections made. The Pearson product-moment Correlation Coefficient was used to evaluate the data. The findings revealed that knowledge management components such as knowledge sharing, knowledge acquisition, knowledge storage are positively related to organizational performance. However, it was recommended that the management of the faith-based organizations should put in place knowledge management systems and ensure that relevant information is created and stored to boost performance. The workers should be trained and retrained to understand core knowledge management techniques. Therefore, the paper concluded that knowledge management is an indispensable ingredient of an organization and it significantly relates organizational performance.

Keywords: Knowledge management, organisational performance, faith-based organisation, knowledge sharing, knowledge storage

JEL Classification Codes: D800, L250

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INTRODUCTION
The application of knowledge in organisational practices has been in existence for decades without a trace, but that of knowledge management is relatively new in the management literature. Due to its importance, several organisations have made contributions on how to apply it to achieve sustainable competitive advantage. Knowledge management practices can be traced to a variety of disciplines and domains which explains its idiosyncratic tendencies. A good number of organisational theorists and practitioners have made input to the development of knowledge management. They are, Peter Drucker, Paul Strassmann, and Peter Senge in the United States (Gupta, Iyer, & Aronson, 2000). Drucker and Strassmann contributed that the increasing significance of information and explicit knowledge as managerial assets while Senge paying attention to the relevance of learning organization and noted that is a cultural dimension of managing knowledge (Jelena, Vesna & Mojea, 2012). The phrase "knowledge management" entered the lexicon around the 1980s, To provide the right technology for managing knowledge, a group of companies in the USA started a movement for managing knowledge resources in 1989. This initiative supported the publication of the early papers on organizational learning and knowledge management (see Senge's The Fifth Discipline and Sakaiya's The Knowledge Value Revolution). The International Knowledge Management Network (IKMN) kick-started its operations in Europe in 1989, however, knowledge management was introduced in the popular press in 1991, when Tom Stewart published "Brainpower" in Fortune magazine, it went to the public domain in 1994 and later joined by the U.S. knowledge management round-table and other notable groups of knowledge management. The development of technology and the new beginning of notable inventions have kept many firms in the race to continue competing in the industry. For many firms, the time of speedy technological transformation is also the time of never-ending struggle to maintaining competitive advantage (Jelena, Vesna & Mojea, 2012).

Information is gradually fitting the most vital part of the production, after that labour, land and capital (Sher & Lee, 2004). Although some forms of intellectual capabilities are moveable, inherent knowledge is not easily copied. This indicates that Knowledge management is a systematic process of creating, acquiring, analyzing and utilizing information to help achieve firm objectives and performance. Therefore, the key purpose of the organization is to advance the practice of acquisition, integration, and treatment of knowledge, which is precisely what knowledge management, is all about (Kovacic, Bosity & Loncar, 2006). Knowledge has been turned out to be the input of economic resource, and possibly the only basis for competitive advantage (Chang and Chuang (2009): Stankosky, 2008). Knowledge Management is emphasized by Kolam (2004) in Bhojaraju (2005) has a means to help a business to expand insight and perceptive from its own experience; information in an organization is an audit of intellectual property that highlights distinctive resources, vital functions and potential bottlenecks, which obstruct knowledge flow to the point of utilization.

Knowledge Management secure intellectual
property from rot seeks opportunities to boost decisions, services and goods through adding acumen, growing worth and providing flexibility (Bhojaraju, 2005). Organizational performance, on the other hand, is one of the most imperative components in the organizational literature and debatably the most vital pointer of the organizational performance. Although the concept of organizational performance is common in the management literature, yet it is difficult to agree on its meanings. For this reason, there is no generally accepted definition of this term. In the '50s organizational performance was defined as the extent to which firms achieve objectives (Georgopoulos & Tannenbaum, 1957). Performance assessment during this era was based on work, people and organizational structure. However, during the 1980s and 1990s were marked as the awareness that the detection of the organizational goal is more complex than earlier measured. Managers began to know that an organization is thriving if it achieves its result (effectiveness) using few resources.

Thus, Knowledge management practices need to be critically examined and compared internally and outside of the work organisations; this is not common in most faith-based organisations but mostly carried out in the business or industrial setting. Therefore, this intends to investigate the link between knowledge management and organisational performance among faith-based organisations.

2. LITERATURE REVIEW
Knowledge is an intangible resource, therefore cannot be easily measured, so organizations must deal with knowledge effectively to take complete gain of the skills and experience innate in their systems, structures as well as exploring the tacit knowledge belonging to the workers of the firm. Prior studies defining knowledge management are shown below. Knowledge management is defined as the process by which managers develop, transfer, transmit, store and apply information to help management and employees make effective decisions. It involves providing to the members of the organization with real information to react and act appropriately to attain the organization's goals. Megan and Jon (2007) posit that knowledge management is the process in which organizations create value from their intellectual assets. It is the process of managing the firms’ knowledge base or databases for the aim of creating corporate worth. Knowledge management is also a strategy to enhance firm competitive advantage. It is the integration of the initiative, process, strategy and system that maintain and improve the acquisition, storage, transfer and retirement of knowledge (Alan, 2012). Knowledge management is a deliberate attempt to get the exact information, to the right people, at the right time and the right place (Aziri, Veseli & Ibraimi, 2013). Nnabuife (2009) argued that since people have different kinds of information from significantly different backgrounds disciplines and different quantity and form, the data gathering process is seen as very important to decision effectiveness. It is also pertinent to note that information generated internally is usually more cost-effective (Nnabuife, 2009). Robbins, Judge, and Sanghi (2007) stated that knowledge management is the process of organizing and disseminating or transferring an organization's collective information to the right people at the right place. When carefully done, knowledge management promises to enhance firm competitive edge and improves performance, it makes the employees smarter and agile (Robbins et al, 2007). Knowledge management is an important organizational activity that integrates all work processes for corporate goal accomplishment (Parikh, 2001). Successful knowledge management can be determined by enlarging and sustaining the memory of the organisation and also requires the capability to creation, utilization, and preservation of knowledge (Aloyalat and
The processes of knowledge acquisition, storage and transfer can be thought of as a planned synchronization for effective knowledge management (Gold, Malhotra and Segars, 2001). Alavi and Leidner (2001) noted that the knowledge processes involve all activities such as creation, sharing, storage and usage. Enablers of knowledge in organisations provide the infrastructure necessary for increasing efficiency and effectiveness of work processes (Sarvary, 1999). Organisations require capabilities to transfer tacit and explicit knowledge (Halawi, Aronson & McCarthy, 2005). Most time, it is difficult for tacit knowledge to be transferred because it is personal to the owner while it is easier to transfer explicit knowledge because it is owned by the organisation. Alhawari & Al-jarrah (2012) opine that three basic elements must be integrated and collaborated to effectively apply knowledge in an organisation. These components include people, process and technology. William et al (2012) argue that most organizations fail because they do not effectively apply the right strategies of contemporary knowledge management framework.

The underlying is the basis of several mistakes of early knowledge management initiatives, especially for new firms that skip the important processes, which is “a travestying of justice” to knowledge management (Hylton, 2002). Knowledge identification is an action of discovering and knowing the appropriate location and quality of knowledge as well as creating opportunities to leverage the value of such knowledge (Zwain et al, 2012). In looking at this view, knowledge can be discerned through individuals, groups or organization (Liao & Wu, 2009). Knowledge identification or initiation is mostly considered as the first stage of managing knowledge. This action is necessary to support employee daily work success and effectiveness (Sarawanwong, Tuamsuk, Vongprasert &hiewyoo, 2009). Other notable knowledge management activities involves knowledge sharing systems (Hinds & Pfeffer, 2002), expert finding systems (Maybury, 2006), organizational network analysis (Praise, Cross and Davenport, 2005), knowledge mapping (Werler, 2001), and expertise transfer (Weber, Dauphin, Fuschini, Haarmann, Katzung and Wunram, 2007). Lee and Wyang (2000) present two activities through which firms acquire or create knowledge. They are searching and organizational learning. Searching in this context is achieved through three methods, that is, scanning, focused research, and performance monitoring, while organizational learning, on the other hand, is the development of new insights that can influence the change of behaviour (Alexandra, 2013) Organizations can always acquire knowledge that may not lead to intelligent behaviour (Singh et al, 2006). Leonard(1992) states that core rigidity is a threat to knowledge management that can also hinder innovation. Vera and Crossan (2003) suggest that knowledge availability can significantly have a positive result on organizational performance. This means that most Organizations are effective because is the best approach to manage and store internal knowledge. That is, competencies and capabilities that are vital for the firm's survival, growth and success have been developed (Hakanson, 2010). This view assumes organizations are various knowledge-bearing entities that use knowledge to the advancement and production of goods and services (Foss, 1996). The tacit and explicit Knowledge theory is one of the theories of Nonaka and Takeuchi that strongly influenced nearly all knowledge management researches and approaches (Nonaka, 1995). This theory distinguishes two types of knowledge: explicit knowledge and tacit knowledge. According to this theory, there exist four modes of conversion between tacit and explicit knowledge. Internalization, from explicit knowledge to tacit knowledge, where explicit knowledge disseminated in
the organization is assimilated by individuals that become richer of new knowledge.

Organizational Performance
Organisational success is critical to nation-building. This means that organizations play a significant role in our daily lives, therefore a profitable venture represents an ingredient for national development. The economists mostly liken a business venture or organizations an engine move the economic, social and political progress of a nation. Organisational performance has become a key concern to all practitioners in the corporate world and for some decades now some they have been motivated by the award of noble prizes. Organisational performance is the measure of efficiency and effectiveness of all work activities in a goal-seeking organisation. The term effectiveness refers to the measure of the appropriateness of goals set by the manager to pursue and the extent to which such goals achieved. Effective organisations are goal focused; therefore, effective managers are goal achievers. Efficiency, on the other hand, is the measure of how well organisational resources are used to accomplish goals. Continuous performance is the concern of a firm because high performance leads to corporate competitive edge and market leadership. Organizational effectiveness and efficiency are the most vital measures in the management of corporate resources and perhaps the most essential indicators of corporate performance. Although the term organizational performance is a common concept in the organizational and management literature, yet the issue of the definition has not agreed upon. It is difficult to have a generally accepted definition because different people see the concept differently; however, in this paper, we define organisational performance as the evaluation of efficiency and effectiveness. Georgopoulou and Tannenbaum (1957) note that during the 1950s, firm performance was based on the amount of organizational goal accomplishment. Performance assessment during this era was based on work, people, process and structure. In the late 1960s and early 1970s, firms have begun to discover new initiatives to determine their performance, therefore, defining performance was as the capability of the firm to develop its environment for utilizing resources (Yuchtman & Seashore, 1967).

The 1980s and 1990s were noted as the realization and the turning point of organisational performance. In this period, managers began to know that a firm is thriving when it accomplishes its goals (effectiveness) and use a few using resources to attain goals(efficiency). Thus, managerial theories and ideologies advanced underpin the effectiveness and efficiency views of organizational performance (Lusthaus & Adrien, 1998 and Campbell, 1970). In this view, profit or dividend became one of the several predictors of organisational performance. DidierNoyé (2002) argues that organisational performance involves goal achievement through the utilisation of scarce and limited resources. In his approach, performance is not a mere finding of the result, but rather it is the outcome of evaluation between the result and the objective.

3. METHODOLOGY
This study adopted the survey design in generating data as it permits the use of the questionnaire instrument. The total population of the study consists of a staff of selected Faith-Based Organizations in Yenagoa, Bayelsa State. The researcher chooses 10 churches because of the population is infinite and the choice of the selected organisations was based on size. The convenience sampling method was adopted and 25 participants were selected from each organisation that sum-up to 250 participants and the participants was randomly selected using raffle draw and condition for the selection of the participants was limited to the workers in the faith-based organisation. The
questionnaire instrument had its response options based on the 5 points Likert Scale that ranged between 5-strongly Agree and 1-Strongly Disagree. To make sure there was consistency the questionnaire was served to the staff of the selected Faith-based organizations in Yenagoa, Bayelsa State. The questionnaire instrument was validated using 2 experts both from management and statistics department of the Niger Delta University while reliability was ensured through the use of Crombach Alpha technique. The Pearson Product Moment Correlation Coefficient method was adapted to test the hypotheses.

**Test of Hypotheses**
The study examines the influence of knowledge management on the performance of faith-based organizations (FBOs).

Hypothesis \( H_{01} \): There is no significant relationship between Knowledge Sharing and Organizational performance

Table 1: Computational result of the test of hypothesis using the Pearson Correlation Coefficient.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Knowledge Sharing</th>
<th>Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge Sharing</td>
<td>Pearson Correlation</td>
<td>(1)</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>(.000)</td>
<td>(195)</td>
</tr>
<tr>
<td>N</td>
<td>(.975^{**})</td>
<td>(.000)</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

**Decision**: The table shows there is a positive and significant relationship between knowledge sharing and organizational performance. The results of the correlation analysis shown in Table 1 revealed there is a significant and positive effect of knowledge sharing on organizational performance \((r=0.975, p>0.01)\). Therefore, \( H_{01} \) was fully accepted.

Hypothesis 2 \( H_{02} \): There is no significant relationship between Knowledge creation and Organizational performance.

Table 2: Computational result of the test of hypothesis using the Pearson Correlation Coefficient.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Knowledge creation</th>
<th>Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge creation</td>
<td>Pearson Correlation</td>
<td>(1)</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>(.000)</td>
<td>(195)</td>
</tr>
<tr>
<td>N</td>
<td>(.967^{**})</td>
<td>(.000)</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
**Decision:** The table shows there is a positive and significant relationship between knowledge creation and organizational performance. The results of the correlation analysis shown in Table 2 revealed there is a significant and positive effect of knowledge sharing on organizational performance ($r=0.967$, $p>0.01$). Therefore, $H_{O2}$ was accepted.

Hypothesis 3 ($H_{O3}$): There is no significant relationship between Knowledge acquisition and Organizational performance.

Table 3: Computational outcome of the test of hypothesis using the Pearson Correlation Coefficient.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Knowledge Acquisition</th>
<th>Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge Acquisition</td>
<td>Pearson Correlation</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>1</td>
<td>$0.959^*$</td>
</tr>
<tr>
<td>N</td>
<td>195</td>
<td>0.000</td>
</tr>
<tr>
<td>Organizational Performance</td>
<td>Pearson Correlation</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>$0.959^*$</td>
<td>1</td>
</tr>
<tr>
<td>N</td>
<td>195</td>
<td>195</td>
</tr>
</tbody>
</table>

$^*$. Correlation is significant at the 0.01 level (2-tailed).

**Decision:** The table shows there is a positive and significant relationship between knowledge acquisition and organizational performance. The results of the correlation analysis shown in Table 3 revealed there is a significant and positive effect of knowledge sharing on organizational performance ($r=0.959$, $p>0.01$). Therefore, $H_{O3}$ was accepted.

Hypothesis 4: There is no significant relationship between Knowledge Storage and Organizational performance.

Table 4: Computational outcome of the test of hypothesis using the Pearson Correlation Coefficient.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Knowledge Storage</th>
<th>Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge storage</td>
<td>Pearson Correlation</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>1</td>
<td>$0.949^*$</td>
</tr>
<tr>
<td>N</td>
<td>195</td>
<td>0.000</td>
</tr>
<tr>
<td>Organizational Performance</td>
<td>Pearson Correlation</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>$0.949^*$</td>
<td>1</td>
</tr>
<tr>
<td>N</td>
<td>195</td>
<td>195</td>
</tr>
</tbody>
</table>

$^*$. Correlation is significant at the 0.01 level (2-tailed).

**Decision:** The table shows there is a positive and significant relationship between knowledge storage and organizational performance. The results of the correlation analysis shown in Table 4 revealed there is a significant and positive effect of knowledge sharing on organizational performance.
(r=0.949, p> 0.01). Therefore, $H_{04}$ was accepted.

**Discussion of findings**

This study examined knowledge management and organizational performance in faith-based organizations, in Yenagoa, Bayelsa State. This paper specifically examines how knowledge sharing, knowledge creation, knowledge acquisition and knowledge storage relate to organizational performance. The first hypothesis indicated a positive relationship between knowledge sharing and organizational performance. Frappaolo (2006) claimed that knowledge sharing is about how people share and use what they know to improve the performance of organisations. Ipe (2003) noted that knowledge sharing is a conscious behaviour and knowledge sources also do not want to give up ownership of knowledge. Knowledge sharing also involves the exchange of information and knowledge from one source (person, group or organization) to another (Fugate, Theodore and Mentzer, 2009). Knowledge sharing is an instrument that can be used to promote evidence-based practice, decision making, and also to support exchange and conversation between researchers, corporate executives, and consultants (Kulkarni, and Louis, 2003). The result also exposed that knowledge creation has a positive influence on organizational performance. In previous studies, (Hoegl and Schulze, 2005) opined that knowledge creation is considered as the first components of knowledge management and it is relevant to corporate performance. In this study also, knowledge acquisition was found to have a significant and positive influence on organizational performance. Knowledge conception as an outcome means that new knowledge is diffused, adopted and embedded as new products, services and systems (Argyris & Schon, 1996; Nonaka, 1994; Phan & Peridis, 2000). Knowledge acquisition is considered to be one of the important components of knowledge management and also a key determinant of corporate performance while knowledge storage involves both the soft or hard style of recording and storing both individual and organizational knowledge in such a manner that can be easily retrieved. Knowledge storage uses technical infrastructure such as modern hardware and software database resources including people, processes and procedures to enhance the organizational memory. (Nonaka and Takeuchi, 1995; Santo, 2005; Armstrong, 2006). This approach encourages people to document data and process them as information to meet the market demands of the organisation. A repository as noted by (Armstrong, 2006) permits several individuals to search for, and retrieve codified knowledge without necessarily contacting the person who originally developed it. This saves time and other organizational resources and thus improves performance and competitive advantage.

5. **CONCLUSION AND RECOMMENDATIONS**

**Conclusion**

The study proved that knowledge management resources are the building blocks upon which organizational capabilities are maintained. The technical and human capabilities facilitate the start or birth of new knowledge, while the structural and cultural capabilities facilitate the growth and development of new knowledge. Knowledge is an essential instrument to improve the performance of an organization. To maintain the effectiveness of organization knowledge, transferability and sharing are the core component in achieving innovation and process improvement. Knowledge management plays a very essential function in improving organizational effectiveness and also assists managers in decision making. The acquired knowledge will affect the organizations' worth, knowledge incorporation and procedures. The importance of knowledge management is also shown by the fact that organizational knowledge affects the organization's ability to function and
perform. The results are also suggestive that organizations knowledge affects such as outcome as productivity, performance, commitment and achievement of organizations goals, and agreement with a core value. In conclusion, knowledge management is an indispensable ingredient of organizational success and it significantly relates organizational performance.

Recommendations

Based on the research findings, the following are recommendations were made:

1. That organisation should put in place knowledge management systems and ensure that relevant information that will boost performance is identified and managed.

2. That the management of FBOs should also note that knowledge acquisition is not about the gathering of data, instead it is the deliberate effort of the firm to transform such data to quality and usable information.

3. That Management should see knowledge acquisition as a collective activity within the organisation.

4. That management should train and retrain workers on knowledge management practice and such practice should be transformed as an organizational culture stimulated to enhance organizational performance.

REFERENCES


