



Knowledge Management Audit as A Strategy for Employees Innovation Towards Organizational Productivity

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ABSTRACT

Organisational Success depends on how Knowledge, which is a valuable asset in every organisation is created, managed and shared. This study examined how knowledge could be shared among employees in organisations in order to enhance their productivity. The study was carried out in the Three Senatorial Districts of Ogun State. In carrying out the study, two Research Questions were raised from which the instrument used to gather data for the study was developed. One hundred and fifty (150) respondents (Instructors/Technologists/Technicians), fifty (50) from each Senatorial District were selected through simple random sampling technique. Also, one hundred and fifty (150) copies of the questionnaire were administered on the respondents and were filled and returned. Percentage and Mean methods were used to analyse the data collected. The study concluded by acknowledging the importance of knowledge management audit as a strategy in achieving renaissance for innovations and productivity. It was recommended that Knowledge Management Audit be encouraged in organisations to enhance employees' creation of knowledge which is a good strategy for technological innovations and productivity.

Keywords: Knowledge Management Audit, Employees, Strategy, Innovation, Productivity

iSTEAMS Proceedings Reference Format

James Ige Orija, Ph.D & Isaac Akindele Jolaade (2019): Knowledge Management Audit as A Strategy for Employees Innovation Towards Organizational Productivity. Proceedings of the 16th iSTEAMS Multidisciplinary Research Nexus Conference, The Federal Polytechnic, Ilaro, Ogun State, Nigeria, 9th – 11th June, 2019. Series 2, Pp 175-182. www.isteams.net - DOI Affix - <https://doi.org/10.22624/AIMS/iSTEAMS-2019/V16N2P20>

1. INTRODUCTION

Effective Knowledge Management is dynamic for organisations to forge ahead in this era of Information and Technological advancement. Undoubtedly, organisations compete on the basis of knowledge, since products and services are becoming increasingly complex while the onus of managing knowledge requires utmost focus as most of the work is information-based. Hence, the requirement for a life-long learning has become an unavoidable reality and knowledge management has become important because marketplaces are increasingly competitive and the rate of innovation is rising (De Freitas & Yáber, 2018). Knowledge, according to Tutorials Point (2015), is more complicated than data or information, because it is subjective, often based on experience, and highly provisional. Noe and Wang (2010) opined that Knowledge is vital and it is an important resource which provides organisations with a sustainable competitive advantage in any highly competitive economy. It is the integration of information into a context of experience and existing knowledge that is found in the human mind, as a result of individual's experience and thoughts



based on a set of beliefs (Pircher & Pausits, 2011).

As knowledge has become the most important factor of production, organizations must concentrate on its production, acquisition, distribution, retention, and application (Shaikh, 2004). It is, therefore, important to manage this resource, since knowledge management adds value to organizations in terms of competitive advantage (Hall, 2006); improved financial performance (Teece, 2005); innovation (Nonaka & Takeuchi, 1995); anticipation of problems (Carneiro, 2000); productivity (Kane, 2010); strategic positions of organizational growth (Barney, Wright & Ketchen, 2001); maximization of organizations' learning achievements (Almuñas, Passailaigue and Galarza, 2015); and superior use of information (Carneiro, 2000).

Also, Zack (1999) emphasized that firms consider knowledge to be their most valuable and strategic resource, and confirmed that the more a firm knows about its customers, products, technologies, markets, and their linkages, the better it will perform. Therefore, since knowledge is involved in most activities in firms, it has become a primary factor in their success. In addition, Meso and Smith (2000) posited that firms need to manage their knowledge resources more efficiently to enhance performance and produce the biggest payoffs, and to obtain a competitive advantage.

According to Almuñas et al. (2015), Knowledge Management (KM) is defined as the set of activities carried out in order to utilize, share, and develop the knowledge of an organization and the individuals who work there, leading them toward better attainment of their stated aims and targets. It takes into account aspects of management such as process planning, organization, execution, and control in order to achieve certain objectives; collecting and/or receiving information from within and without; its recognition organization, storage, analysis, and assessment; and the sending of an external response so as to achieve a satisfactory outcome. Chen (2006) opined that Knowledge management is a strategy devised to help translate employees' knowledge into action and share it in such a manner that will enhance the organizational performance of the work-force by consciously providing accurate knowledge, for the right people at the right time. It is regarded as a prerequisite for the improvement of productivity and flexibility of the organization (Maertensson, 2000), and it is organised strategically to develop the human capital of organizations. (Liebowitz, 2004). In essence, Emil (2018) asserted that Knowledge Management Strategy must be dependent on corporate strategy which its objective is to manage, share, and create relevant knowledge that will help meet organisations' tactical and strategic requirements. However, managing the knowledge of organisations should be at the basis of the organizations' capability developmental effort, which ultimately leads to better business performance and creating value for the companies various stakeholders (Schiuma, Ordóñez & Spender, 2007). Above all, knowledge management is an activity practiced by enterprises all over the world with the objective of summing up value to the organisation (Tutorials Point, 2015).

Knowledge Management Audit (KMA) revealed the organisations' knowledge management needs, strengths, weaknesses, opportunities, threats and risks. It provides an evidence-based assessment of where the organisation needs to focus its knowledge management efforts. It investigated into organisations' knowledge repository to consider what the organisations' knowledge needs are, the knowledge assets or resources they have and where they are. Also, it considered the gaps that exist in the organisations' knowledge, how knowledge flow around the organisations, the blockages to that flow and the extent that people, processes and technology currently support or hamper the effectiveness of knowledge management (De Brun, 2005). The Tutorials Point (2015), on its own remarked that knowledge audit management marks the core information knowledge requirements and uses in an organization. It outlined the gaps, duplications, and flows and how they contribute to business goals as well as the owners, users, uses, and key attributes of core knowledge assets. It asserted that after carrying out KMA in organisations, it produced core knowledge assets like who creates and who uses; gaps in information and knowledge that required to be managed, areas of information policy that needs progress, opportunities to minimize information-handling costs, opportunities to improve coordination and access to commonly required information, and a better understanding of the



contribution of knowledge to business results.

According to Terra and Gordon (2002), organizations where knowledge management is well structured, the actions in these two levels of action; i. e. strategic and tactical, should be coherent and aimed at bringing coordination to the tasks of identifying, creating, organizing, sharing, disseminating and using the sources of knowledge available for the organization. The strategic level is a more analytical level of action that should have a top-management perspective. It should be focused on determining what types of knowledge will provide a competitive edge and how the organization will acquire, develop or maintain such knowledge advantages. Once the key decisions and strategies are formulated, companies can engage in tactical actions such as the implementation of organizational processes, HR policies and IT infrastructures that will support the chosen strategic directions.

1.1 Statement of the Problem

Today, organisations are concerned with the sustainability of organisational knowledge and the need to be creative and innovative in order to produce quality products, deliver quality services and maximize the efficiency of their workforce. Knowledge Management Audit (KMA) deals with how to assess the knowledge of employees and points out knowledge needs that may be required for the survival of every organization. However, many organisations have not been taken this issue with seriousness it deserves; hence, could not survive due to aging workforce, competitive differentiation and globalization effect that could lead to high rate of labour turnover. Also, downsizing of staff due to obsolete knowledge creates a need to replace knowledgeable ones that may not be easily available. This study therefore, investigated how KMA could be used as a tool for capacity building for organisations' innovation and technological development.

1.2 Objectives of the Study

The main objective of this study was to examine the role of Knowledge Management Audit in workers innovations towards enhanced productivity in organisations. The specific objectives are:

1. To investigate the extent knowledge management audit could bring innovations into the organisation's workforce.
2. To determine how knowledge management audit could enhance employees' performance in organisations.

1.3 Research Questions

- ❖ To what extent does knowledge management audit bring innovations into workforce in the organisations?
- ❖ How does knowledge management audit enhance employees' performance towards organisational productivity?

3. METHODOLOGY

The study was a survey and carried out in Ogun State. The population used for this study comprised of the Instructors, Technologists and Technicians in three Tertiary Institutions in Ogun State. A total number of one hundred and fifty (150) respondents were randomly selected for the study. Fifty respondents each were selected from each Senatorial District of the State. Questionnaire was the main instrument used to gather data for the study. The instrument was validated by Knowledge-based workers. The instrument consists of twenty-question item seeking information on how knowledge management audit serves as a strategy for technological renaissance for innovations and productivity in Nigeria. Respondents were asked to choose one out of the four options (Strongly Agree, Agree, Disagree and Strongly



Disagree) provided for each item of the questionnaire.

For the purpose of analysis, values were assigned to the four options provided in the instrument as follows: Strongly Agree = 4 marks; Agree = 3 marks; Disagree = 2 marks and Strongly Disagree = 1 mark. Mean method of analysis was used to analyse the data collected. One hundred and fifty (150) copies of questionnaire were administered by the researchers on the selected respondents used for the study. However, all the copies of questionnaire were retrieved by the researchers. The data collected for the study were analysed using Percentage and Mean methods. A minimum of 2.5 score was set as standard for acceptability or otherwise. Any research question scored below the set standard was rejected.

4. RESULT

Table of Analysis

Questionnaire Items	SA	A	D	SD	Total	Mean	Remarks
R1. To what extent does Knowledge Management Audit as a strategy created new innovations into the organisations' workforce?							
1. Identify Core Knowledge Assets.	54	96	-	-	150	3.36	Accepted
2. Identify Gaps to be effectively managed.	27	123	-	-	150	3.18	Accepted
3. Identify Information Policies.	63	87	-	-	150	3.42	Accepted
4. Minimise Information Costs.	-	117	33	-	150	2.78	Accepted
5. Improve Coordination.	99	185	-	-	150	3.25	Accepted
6. Easy Access to Information	43	107	-	-	150	3.29	Accepted
.							
7. Contribute to New Innovation	53	97	-	-	150	3.35	Accepted
R2. How does Knowledge Management Audit enhanced organisational productivity?							
8. Increase Knowledge Repositories.	57	93	-	-	150	3.38	Accepted
9. Enhances Knowledge Capturing.	58	62	21	09	150	3.13	Accepted
10. Improve Knowledge Strengths.	87	63	-	-	150	3.58	Accepted
11. Generate New Innovative Opportunities.	71	79	-	-	150	3.47	Accepted
12. Strengthen Knowledge Weaknesses.	42	78	17	13	150	2.99	Accepted
13. Prevent Threats to Knowledge Sharing.	53	97	-	-	150	3.35	Accepted
14. Aid Knowledge Codifications.	67	83	-	-	150	3.45	Accepted
15. Aid Knowledge Applications.	81	69	-	-	150	3.54	Accepted



Field Survey, 2019

5. DISCUSSION

Questions One to Seven were used to gather data on the research question one. The results shown were 3.36, 3.18, 3.42, 2.78, 3.25, 3.29 and 3.35 respectively which stated that the research question was accepted. The respondents believed that KMA aids the creation and the usage of new innovations into the organisations' workforce; and as a strategy, it identify gaps, policies, minimize costs and as well improve knowledge coordination. In their views, Terra & Gordon (2002) believed that in organizations where KM is well structured, the actions in retention policies and circulation of knowledge should be coherent and aimed at bringing coordination to the tasks of identifying, creating, organizing, sharing, disseminating and using the sources of knowledge available for the organization. Therefore, the strategic level is a more analytical level of action that should have a top-management perspective which should be focused on determining what types of knowledge will provide a competitive edge and how the organization will acquire, develop or maintain such knowledge advantages. They stated further that once the key decisions and strategies are formulated, companies can engage in tactical actions such as the implementation of organizational processes, HR policies and IT infrastructures that will support the chosen strategic directions (Terra & Gordon, 2002).

Questions Eight to Fifteen were used to gather data on research question two. The results revealed 3.38, 3.13, 3.58, 3.47, 2.99, 3.35, 3.45 and 3.54 respectively. This is an indication that the respondents accepted the research question. Majority of them were of the opinion that KMA activities are capable of influencing the workforce to higher performance towards increase in organisational productivity. This corroborates Maertensson (2000) view that KM is regarded as a prerequisite for the improvement of productivity and flexibility of the organisation, and it is organised strategically to develop the human capital of organisations. (Liebowitz, 2004). Also, the Tutorials Point (2015) was of the opinion that knowledge management is an activity practiced by enterprises all over the world with the objective of summing up value to the organization. Thus, it is a strategy devised to help translate employees' knowledge into action and share it in such a manner that will enhance the organisational performance of the work-force by consciously providing accurate knowledge, for the right people at the right time (Chen, 2006). Meso and Smith (2000) also contributed further that firms need to manage their knowledge resources more efficiently to enhance performance and produce the biggest payoffs, and to obtain a competitive advantage.

6. CONCLUSION

In the business world today, achieving organisational success depends on how effective knowledge, which is a valuable asset in every organisation is created, managed and shared. This becomes realistic as organisations are set to successfully create and implement a Knowledge Management Audit as a strategy in their organisations. Supporting the above assertion, Choo (2002) corroborates that having Knowledge Repositories which contain databases of codified knowledge assets that are systematically organised to facilitate searching, browsing, and retrieval is also essential. Based on the analysis made and the inferences deduced from the study, it was concluded that knowledge management audit plays an important role on the enhancement of organisations' workforce in creating new innovations to increase their performance towards Technological Renaissance for Innovations and Productivity of a nation. This strategy, KMA, used by KM experts is becoming increasingly important in enhancing organisations' competitive advantage since KMA reveals that Technology is a powerful enabler of knowledge management goals, but with the onus on humans (Employees) to conduct knowledge activities (Carneiro, 2001). Therefore, knowledge management audit in effect serves as a strategy for technological renaissance for innovations and productivity of the nation.



7. RECOMMENDATIONS

For Knowledge Management Audit to serve as a strategy for technological renaissance for innovations and productivity of a Nation, the followings are recommended based on the findings of the study that:

- i. Management should ensure knowledge management audit is carried out from time to identify knowledge gaps that need to be filled.
- ii. KMA be carried out to identify obsolete technologies in order to replace them with new ones.
- iii. Management should structure their KM activities to ensure coherency in order to bring proper coordination to retention policies and knowledge circulation.
- iv. Management perspective should be strategic and analytic to determine what types of knowledge will provide a competitive advantage.
- v. KM should be strategically organized to help translate employees' knowledge into action which in effect enhances organisational performance towards productivity.
- vi. Management should organise Knowledge Acquisition training programmes for their employees to enhance their creativity and innovativeness.
- vii. Management should not allow their Knowledge-based workers to leave without sharing the acquired knowledge to prevent losing codified knowledge (organisations' vital assets).
- viii. Management should recognise, commend and appreciate Employees' Innovativeness and Creativity by encouraging them with Monetary Award, Commendation Letters, Gifts, etc.



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