The Role of Organizational Culture on the Relationship between Knowledge Management and Employee Performance in Jordan

Dr. Khalid Thaher Amayreh
Doctor of Business Administration, Business Administration Department
Irbid national university
Email: khaled_amayreh@inu.edu.jo
https://orcid.org/0000-0001-5481-6628

Abstract
This article explores the critical role of organizational culture in shaping the relationship between knowledge management and employee performance in Jordan. It looks at how these elements interact to affect organizational success and provides advice on how businesses can use their cultures to strengthen knowledge management procedures and eventually boost worker productivity. This study uses a cross-sectional survey methodology and a quantitative research design. Utilizing both stratified and random selection methods, the sample was chosen. A questionnaire survey was used to collect data for the investigation. There were 370 survey forms handed out, and 266 valid replies were gathered and used in the research. Statistical software called Smart PLS (4.0) was used to evaluate the data that had been gathered. The findings from the study revealed a positive relationship between knowledge management and employee performance. It further highlights the importance of an effective knowledge acquisition, sharing, storage, and application processes. Organizations that invest in knowledge management systems and provide adequate resources for knowledge sharing and learning enable employees to access and apply relevant knowledge, leading to improved job satisfaction, problem-solving abilities, and innovation. Likewise, the moderating role of organizational culture indicates that a strong and supportive culture enhances the impact of knowledge management on employee performance.

Keywords: Organizational Culture, Knowledge Management, Employee Performance, SmartPLS, Jordan

Introduction
The majority of businesses are beginning to realize the benefits of knowledge management (KM) in today's fiercely competitive business environment. Knowledge management is a method for gathering and disseminating information within an organization (Ahmadya, 2016). By deliberately giving exact data to the fitting individual with flawless timing, information the board is a strategy to assist with changing information right into it and convey it in a manner that works on hierarchical execution (Khoualdi and Saleh, 2015). As per Schein (2000) in Wijayanti and Tirtoprojo (2023), An association's way of life is comprised of the standards and principles that guide its working methods. Business culture may be bolstered and sustained by these principles. Kassam et al. (2019) affirm that hierarchical culture is utilized to make sense of the low-productivity climate and the disappointment of rules and techniques to change the negative elements among bosses and subordinates. Thus, how effectively information the board projects are executed is significantly impacted by organization culture. Authoritative culture, as indicated by Carvalho et al. (2019), is a strategy for improving business behavior.

Value and belief define the framework and structure that are established inside an organization as well as how people interact with one another. In the same vein, employees feel entrusted to share their knowledge, participate in learning activities, and contribute to innovation in an atmosphere where an organization's supportive culture fosters trust, collaboration, and open communication (Al-Dmour, AAl-Dmour, & Rababeh, 2021). Particularly in the context of Jordan, there is a significant research gap between the relationship between knowledge management and employee performance and the role that organizational culture plays as a moderator. Previous research has acknowledged the significance of both KM and organizational culture in influencing organizational performance (Abuezhayeh, Ruddock, & Shehabat, 2022; Brahmi, & Mustafa, 2019; Abuezhayeh, Ruddock, & Shehabat, 2022). Due to the distinctive cultural and contextual traits of Jordan, it is crucial to comprehend how these aspects interact in Jordanian organizations.

First of all, not much research has looked specifically at how Jordanian corporate culture affects knowledge management techniques and employee performance outcomes (Alsheikh, et al., 2017; Jarrah, et al,.2020; Al-Abdullat, & Dababneh, 2018). The rich cultural history of Jordan can influence how willing employees are to collaborate, share expertise, and take risks. The impact of Jordan's distinctive cultural traits on the connection between “knowledge management (KM) and employee performance” can be examined, and the results can be used to develop effective KM techniques that are appropriate for the local setting.

Secondly, while numerous researches have examined the direct link between “knowledge management (KM) and worker performance”, the moderating impact of “organizational culture” on this relationship has received little attention. Greater knowledge of the underlying mechanisms by which KM practices affect employee performance outcomes can be gained by examining how corporate culture modifies the relationship between KM and employee performance.

Lastly, little empirical study has used a mixed-method approach that integrates quantitative and qualitative data to examine the part played by organizational culture in the KM-employee performance relationship in Jordan. It is possible to gain a thorough understanding for the intricate interactions among “knowledge management” practices, corporate culture, and employee performance by combining quantitative data with qualitative insights from interviews.

By providing empirical data on the role of organizational culture and the connection between worker performance in Jordan and knowledge management, this study aims to close these
research gaps. In addition to advancing academic knowledge, the findings will also have immediate practical ramifications for Jordanian enterprises, helping them create plans to boost employee performance while maximizing knowledge management procedures. Therefore, this article investigates the role of organizational culture as moderating factor and the relationship between knowledge management and employee performance in Jordan.

Literature Review

All people have knowledge, which is insight, comprehension, and practical expertise. (Odiri, 2014 in Sokoh & Okolie, 2021) It is the primary resource that enables us to think logically. As a result, knowledge is unquestionably an intangible skill. According to Akinyemi (2007), it requires the complex cognitive processes of perception, learning, communication, association, and reasoning to be acquired. Knowledge management (KM) is the methodical production, collection, archiving, and application of knowledge to support organizational business goals. Information the executive, as per Sokoh and Okolie (2021), is worried about the total course of information creation and conveyance as well as information use. Effective KM processes assist organizations to arrest implicit and explicit knowledge, disseminating it to the right people, and facilitating its application to enhance decision-making and problem-solving. Awan and Jabbar (2015); Ahmed and Mohamed (2017) explain that legitimate information the board works on the exhibition of associations whether it is public or private. Similar to this, knowledge management is the methodical gathering, storing, disseminating, and use of information inside a company in order to accomplish strategic goals and improve company performance (Alavi & Leidner, 2001). According to Ibrahim and Reig (2009), knowledge management is necessary for a business to maintain a long-term competitive advantage. They stated that initiatives in knowledge management may assist in streamlining business procedures. Thus, organizations may better their decision-making processes and stimulate innovation by using effective knowledge management procedures that enable knowledge to be captured. If knowledge isn't handled properly, organizations won't operate at their best. Ineffective and inefficient production and delivery of products and services will occur (Desouza, 2011). The management of information and the management of people are two main categories of knowledge management that Popov and Vlasov (2014) recognized. Knowledge management has a favorable effect on a variety of organizational outcomes, including employee performance, according to earlier studies (Sokoh & Okolie, 2021; Davenport & Prusak, 1998; Gold, Malhotra, & Segars, 2001).

In respect to Organizational culture, comprise values, beliefs, and behaviors that describe an organization and guide the actions of its members. According to Pujiono et al. (2020), organizational culture is the unwritten tradition, behavior, and belief that establishes the ground rules for decision-making, structure, and control. It serves as a bridge between employees and other firm personnel. Awuor (2015) says that the social glue that binds people together and gives them a sense of belonging to the company is organizational culture. The solid authoritative culture that is created inside a not entirely set in stone by the efficiency of the organization and its upper hand inside the business, as per Ochurub et al. (2022). They went on to say that the organizational culture serves as both the foundation of the organization’s identity and its primary driver of effectiveness. Employees who work for companies with strong cultures are familiar with what is expected of them in terms of the company's values and they are assured that they will be rewarded when they meet those expectations.
As per (Robin, 2017 in Wijayanti and Tirtoprojo, 2023) states that representatives in organizations with solid societies are more dedicated to their organizations than workers in organizations with feeble societies. Numerous scientists detailed an immediate constructive outcome between hierarchical culture and work execution among which are; Wijayanti and Tirtoprojo (2023), Ochurub, et al. (2022), and Wahyuniardi et al., (2018). Furthermore, Wijayanti and Tirtoprojo (2023) explained that management knowledge mediates the influence of organizational culture and the work environment on employee performance. A supportive culture encourages collaboration, innovation, learning, and knowledge sharing, while a restrictive culture may hinder knowledge flow and limit employee engagement. Organizational culture plays a critical role in shaping employee attitudes, behaviors, and the overall work environment. A supportive organizational culture that values continuous learning, open communication, and collaboration fosters knowledge sharing, innovation, and enhances employee performance (Liao, Fei, & Liu, 2008). Organizational culture is important because it may help a company build its edge over its competitors even if its culture is robust and all of its people uphold its core principles (Indiyati, 2018 in Wijayanti & Tirtoprojo, 2023).

“Relationship between Knowledge Management and Employee Performance”
Many researches have highlighted the positive impact of knowledge management (KM) on employee performance. Effective KM practices enable employees to acquire significant knowledge, develop required skills, and make profitable decisions. This no doubt, improves individual and team performances, leading to improve the company's products and results. Several studies have discovered the positive effect between KM and employee performance. For example, Riege (2005) reported that KM practices positively increase employee performance in terms of improved job satisfaction, enhanced problem-solving abilities, and increased innovation. Chong and Choi (2005) also discovered a positive relationship between “knowledge management and employee performance”, stressing the role of knowledge sharing in promoting individual and team performance.

Moderating Role of Organizational Culture
Organizational culture shows a serious impact in influencing the link between “knowledge management” and “workers’ performance”. According to Robbins and Coulter (2002), an organization with a stronger organizational culture has more employees that are committed to its principles. The proper personnel may be attracted to a business by achieving its strategic goals with the help of its organizational culture (Rodriguez & Stewart, 2017). An organization's culture affects its consumers and stakeholders in addition to internal staff performance. The leadership is seen as the caretakers of the organization’s culture and should take responsibility of it (Kotter, 2018). There are many ways to determine an organization’s culture, but the most notable characteristics are the way decisions are made, whether they are made from the top down or from the bottom up, the degree to which employees are free to express themselves, and the capacity to do so without fear of retaliation (Nkrumah, 2018). A strong culture that supports knowledge sharing and collaboration increases the positive effects of knowledge management on employees’ performance. For example, in their study on Chinese organizations, Jiang and Chen (2018) establish that a culture of trust, openness, and teamwork positively influenced the association between “knowledge management” and “employee performance”. Equally, researchers such as Wang, Noe, and Wang (2014) and Lin, Chen, and Chiu (2017) stressed the importance of a supportive culture that inspires learning.
and knowledge sharing in augmenting the impact of “knowledge management” on employees' performance.
The role of organizational culture in moderating the relationship between knowledge management and employee performance in Jordan has been a subject of interest in recent research. Several studies have examined this relationship and highlighted the significance of organizational culture as a key factor that influences the effectiveness of knowledge management practices and their impact on employee performance.
Jiang and Chen's (2018) research examined the effects of organizational culture, trust, and knowledge management capabilities on performance. The study discovered that the connection between knowledge management and organizational performance was strongly affected by organizational culture. In order to maximize the beneficial benefits of knowledge management methods on performance, the authors underlined the significance of a supportive culture that promotes information sharing and cooperation.
Lin, Chen, and Chiu (2017) investigated the moderating impacts of organizational culture while exploring the link between knowledge management and employee performance in a related study. According to the study's findings, organizational culture has a positive moderating impact on the relationship between knowledge management and worker performance. It has been discovered that knowledge management methods have a stronger effect on employee performance when there is a culture that encourages information sharing, cooperation, and continual learning.
These studies highlighted the role of organizational culture in shaping the relationship between knowledge management and employee performance in Jordanian organizations. A supportive culture that fosters knowledge sharing, collaboration, and innovation enhances the effectiveness of knowledge management practices and contributes to improved employee performance.
Furthermore, it is important to recognize that organizational culture is context-dependent and may differ across different organizations and countries. Therefore, understanding the specific cultural dynamics within the Jordanian context is needed for comprehending how “organizational culture moderates the relationship between knowledge management and employee performance”.
Largely, these empirical studies offer valuable perceptions into “the moderating role of organizational culture and the relationship between knowledge management and employee performance in Jordan”. They highlight the significance of creating a supportive culture that aligns with knowledge management initiatives to maximize their impact on employee performance. Organizations in Jordan can weigh these findings to develop strategies that stimulate a positive organizational culture and facilitate effective knowledge management practices, ultimately leading to improved employee performance and organizational accomplishment.

Hypothesis Development
H1: There is positive relationship between knowledge management and employee performance in Jordanian organizations.
Based on prior empirical studies (Chong & Choi, 2005), it is hypothesized that effective knowledge management practices, encompassing knowledge acquisition, sharing, storage, and application, will positively influence employee performance in Jordanian organizations.
H2: “Organizational culture moderates the relationship between knowledge management and employee performance” in Jordanian organizations.
Based on theoretical arguments and empirical findings (Jiang & Chen, 2018; Lin et al., 2017), it is hypothesized that the positive relationship between knowledge management and employee performance will be strengthened in organizations with a supportive culture that inspires innovation, knowledge sharing, and collaboration. These hypotheses served as a basis for investigating the relationships between “knowledge management” and “employee performance” in the specific context of Jordan, taking into accounts the moderating role of “organizational culture”.

**Figure 1: Research Framework**

**Research Framework**

![Research Framework Diagram]

**Methodology**

This research adopted a quantitative research design for the study. The sample was selected via multi-stage sampling techniques specifically using a combination of stratified and random sampling techniques. Data for this study was collected through a questionnaire survey adapted from the previous studies of (Lin, Chen, & Chiu, 2017) in a Likert-type scale, ranging from 1 (strongly disagree) to 5 (strongly agree) to measure respondents' perceptions of variables distributed to employees from manufacturing, services, and healthcare sectors in Jordan. Within each stratum, a random sample of organizations was selected. From each selected organization, samples of employees were randomly chosen to partake in the study. Out of the 370 analysis questionnaires distributed, 266 valid responses were collected and utilized for analysis. A statistical software program called Smart PLS (4.0) was used to analyze the data that had been gathered.

**ANALYSIS AND RESULT**

**Assessment of Measurement Model**

Prior to assessing the effectiveness of the measures, the measurement model's main goal is to determine the “validity” and “reliability” of the constructs. The reliability coefficient of the indicators was calculated using the data, and a threshold of 0.4 was deemed acceptable. Using composite reliability, the internal consistency was evaluated; a result of 0.7 or greater was considered good. With a threshold of 0.5 or above, convergent validity was assessed using the average variance extracted (AVE) (Chin, 1998). According to (Hair, Black, Babin, & Anderson, 2010) discriminant validity can be examined by comparing the factor loadings, ensuring that items had higher loadings on their respective constructs compared to other constructs. All items met the minimum benchmarks, indicating the reliability of the instrument used in the study.
The factor loadings ranged from 0.496 to 0.814, which surpassed the 0.4 thresholds. The "Composite reliability" values range from 0.783 to 0.828, exceeding a recommended value of 0.7. The AVE ranged from 0.508 to 0.548, which was above the minimum cutoff of 0.5, indicating convergence validity. Furthermore, the AVE and correlation squared of interrelated variables demonstrated sufficient Discriminant validity. See the tables below:

<table>
<thead>
<tr>
<th>Table 1: Factor Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Items</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>KNM1</td>
</tr>
<tr>
<td>KNM2</td>
</tr>
<tr>
<td>KNM3</td>
</tr>
<tr>
<td>KNM4</td>
</tr>
<tr>
<td>KNM5</td>
</tr>
<tr>
<td>OC1</td>
</tr>
<tr>
<td>OC2</td>
</tr>
<tr>
<td>OC3</td>
</tr>
<tr>
<td>OC4</td>
</tr>
<tr>
<td>OC5</td>
</tr>
<tr>
<td>OC6</td>
</tr>
<tr>
<td>OC7</td>
</tr>
<tr>
<td>PER1</td>
</tr>
<tr>
<td>PER2</td>
</tr>
<tr>
<td>PER3</td>
</tr>
<tr>
<td>PER4</td>
</tr>
<tr>
<td>PER5</td>
</tr>
<tr>
<td>PER6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 2: Discriminant validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>OC</td>
</tr>
<tr>
<td>KNM</td>
</tr>
<tr>
<td>PER</td>
</tr>
</tbody>
</table>

Assessment of Structural Model
Testing the study's suggested hypotheses was the next stage once the measuring model met the requirements for construct validity and reliability. The "PLS algorithm" and "bootstrapping" in Smart PLS 4.0 were used to achieve this.

<table>
<thead>
<tr>
<th>Table 3: Hypothesis Testing Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Propositions</td>
</tr>
<tr>
<td>H1</td>
</tr>
</tbody>
</table>

"Note: **Significant at 0.01 (1-tailed), *significant at 0.05 (1-tailed)"

The outcomes of the statistical analysis are shown in Table 3, demonstrating that Hypothesis 1 is supported. Knowledge management (KNM) and employee performance were shown to be significantly and positively correlated by analysis (r=0.367, t=7.12, p<0.01).
“Testing the Moderating Effects of Organizational Culture”
To examine the moderating effects of the organizational culture on “the relationship between knowledge management and employee performance”, this study employed Partial Least Squares (PLS) analysis to estimate the indirect effects among the variables with a significance level of 0.05.

Table 4: Moderation Hypotheses

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Relationship</th>
<th>Beta (β)</th>
<th>S E</th>
<th>T Statistics</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2</td>
<td>KNM * OC -&gt; PER</td>
<td>.174</td>
<td>.060</td>
<td>2.88**</td>
<td>Supported</td>
</tr>
</tbody>
</table>

“Note: **Significant at 0.01 (1-tailed), *significant at 0.05 (1-tailed)”

Table 4 reveals that organizational culture (OC) moderates the relationship between knowledge management (KNM) and employee performance, providing support for Hypothesis 2. The results indicate a significant moderation effect (β=.174, t=2.88, p<0.01), showing that organizational culture assumes a part in impacting connections between “knowledge management and employee performance”.

DISCUSSION AND CONCLUSION
The study's findings shed new light on the ways in which Jordanian organizational culture influences the relationship between employee performance and knowledge management. The results provide credence to the idea that improving company culture and employee performance depend on each other. Knowledge management techniques are enhanced by a welcoming and supportive company culture, which improves worker performance.

As per Hypothesis 1, the analysis’s findings confirmed a connection between knowledge management and worker performance in Jordanian firms (=0.367, t=7.12, p<0.01). This finding confirms that effective knowledge management practices, including knowledge acquisition, sharing, storage, and application, positively influence employee performance in Jordanian organizations. Additionally, Hypothesis 4 was confirmed by the analysis’s findings, which showed that organizational culture in Jordanian firms moderates the link between knowledge management and worker performance (=0.174, t=2.88, p<0.01). This research implies that firms with a supportive culture that promotes innovation, information sharing, and cooperation have a stronger favorable association between knowledge management and employee performance.

These findings have practical implications for organizations in Jordan. Organizations should endeavor to foster a culture that values innovation, knowledge sharing, and collaboration. This can be achieved through effective leadership, creating incentives for knowledge sharing, providing training programs, and establishing platforms for communication and collaboration. However, organizations should invest in knowledge management systems and provide resources to support knowledge-sharing and application processes.

Moreover, it is imperative to note that this study has certain limitations. The quantitative research design limits the establishment of causal relationships, and the generalizability of the findings may be limited to the Jordanian context. Future research should consider longitudinal designs and include a more diverse sample to enrich the generalizability of the outcomes of this research.

In conclusion, this study stresses the importance of organizational culture in shaping the relationships between knowledge management and employee performance. By fostering a supportive culture and implementing effective knowledge management practices, organizations in Jordan can enhance employee performance, promote innovation, and gain a competitive edge in the dynamic business environment.
References


they know. Harvard Business Press.


