

THE EFFECT OF KNOWLEDGE SHARING AND PROTECTION ON ORGANIZATIONAL PERFORMANCE IN SELECTED MONEY DEPOSIT BANK IN LAGOS, NIGERIA

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Abstract

This study investigated the effect of knowledge sharing and knowledge protection on organizational performance in selected money deposit banks in Lagos, Nigeria. The objective was, to examine the extent to which knowledge sharing and protection influenced organizational performance. The study made use of primary and secondary data. Regression analysis and Analysis of variance (ANOVA) statistical tool were used to test the hypotheses at 0.05 level of significance. Result showed that there was a significant impact of knowledge sharing and protection on organizational performance. The study however recommended that organizations should enhance the basic understanding of knowledge sharing and protection. They should create opportunities for members to participate in dialogue to exchange ideas as this would ultimately make them respond to customers promptly. Management of organizations and businesses should ensure favourable working conditions for their members to reduce employee turnover since this could affect the protection of their gained knowledge.

Keywords: Customer Satisfaction, Knowledge Management, Knowledge Protection, Knowledge Sharing, Organizational Performance.

JEL Classification: F16

1. INTRODUCTION

Knowledge is what sets an organization apart in an industry. It is the knowledge acquired and utilized by an organization that gives it a competitive edge in its industry. King and Zeithan (2003) considered Knowledge as one of the most important resources an organization needs to be relevant in today's global business

landscape. It is described as the understanding and skills possessed by an individual or individuals through learning, experience or education. It is the type of knowledge that is peculiar to an individual that cannot be transferred or imitated.

Knowledge is described to be as old as man's existence which was presented in codes by Greeks and Hindus in ancient time (Lekhanath & Santosh, 2017). The utilization of knowledge by organizations and firm is what is known as knowledge management. Huang (2014) described knowledge management as the assessment of knowledge, experience and expertise by organizations and firms which results in high productivity, outstanding innovation and maximum customer satisfaction.

Past researchers, Alavi et al. (2001), Becerra-Fernandiz, (2014), Gold et al. (2001) have outlined knowledge management to comprise of different variables which include knowledge creation, storage, sharing, application, protection, distribution, conversion, discovery, capture, acquisition and so many more.

This study look at knowledge sharing and knowledge protection in an organization and how it impact organizational performance in the aspect of customer satisfaction and market share expansion. Previous research has shown that knowledge management is positively linked to favourable organizational phenomenon. For example, Saeed (2016) has viewed higher knowledge sharing as leading to employee performance which ultimately results in organizational performance. Willard (2004) described knowledge management as leading to the enhancement of organizational culture. Kongpichayond, (2009) viewed as promoting effective decision making, while Daniels and Bryson, (2002) stated that knowledge management is the main force behind effective organizational competitiveness and innovation; this stand was emphasized by (Hegazy & Gharab, 2014).

Most of this past research was conducted in developed countries using different knowledge management variables. This study therefore sought to examine the impact of knowledge sharing and protection on organizational performance in a developing country like Nigeria. Hence the study examined the relationship of knowledge sharing and protection and organizational performance in selected money deposit banks in Lagos State, Nigeria.

Organizational performance was examined in the area of customer satisfaction and market share expansion. This was to determine the extent to which knowledge sharing and protection led to high customer satisfaction and market share expansion.

The banking sector was used for this study because banks are always at the witty edge of technology as well as having a great impact in the gross domestic product (GDP) of any Country. Lekhanath and Santosh (2017) noted that there had been a paradigm shift in the banking industry from the period of financial capital to the period where professional workers needed the required knowledge for operation. More so, knowledge management is characterized by technological invention, hence the banking sector was viewed as the most appropriate sector for the study.

2. LITERATURE REVIEW

Knowledge has been seen to be one of the most important resources an organization needs to be able to attain competitive edge in its industry. The knowledge applied by an organization is what distinguishes an organization from other organizations in the same industry. So many past researchers like (Baney, 1995; Nonaka & Takeuchi, 1995; Alawneh, Abuali & Alharabeth, 2009, Mohammad, Rouhollah & Parisa, 2015; Nor, 2018) attested to this fact that knowledge was an inevitable asset in any organization. Kianto, Vanhala and Heilmann (2016) concluded that in managing knowledge, individuals have to be empowered and supported with favourable conditions of learning so that these individuals can conveniently display their skills while gaining new knowledge.

Knowledge has been in existence as far back as man's inception, only then it was portrayed by the ancient and Hindu Greeks (Lekhanath & Santosh, 2017).

Ismail, Al-Alawi, Yousuf and Fraidon (2007) defined knowledge as the combination of individual information, experience, skills and values. Nonaka and Takeuchi (1995) defined knowledge as the dynamic resource for justification of personal beliefs to obtain the truth. Knowledge, according to Epetimehin and Ekundayo (2011) is an invisible or intangible asset which involves complex cognitive processes of perception, learning, communication, association and reasoning in its acquisition; Knowledge was viewed by Poonkothai (2016) as a critical component needed by organizations to be competitive, innovative and sustainable.

O'Dell and Hubert (2011), defined "Knowledge" as information in action. So many individuals have always confused knowledge with information and data. Therefore, in order to effectively understand the concept of knowledge, it is necessary to know the differences, similarities and relationship between data, information, knowledge and wisdom.

Makori (2009) defined data as the accurate facts used as a source of perspective, design or argument. Information was defined as the communicate or response for knowledge or intellect. He defined knowledge as the state of knowing something obtained through understanding or the state of capturing facts or realities through thinking. Wisdom on the other hand was described as the uppermost level of concept and the capability to look beyond the limit with an idea or prudence (Makori, 2009).

Hegazy and Gharab (2014), described data as a presentation of raw number of words about facts, observations or perceptions while they described information as processed data of purpose and relevance. Knowledge as an actionable information is relevant to a decision since it provides solutions to problems. It is a strategic resource which as an asset is highly coveted in today's modern economy.

Knowledge is also viewed as the main force of effective competitiveness and innovation that makes up commodity chain that enhances regional and national development (Baney, 1995; Bhat, 2000; Daniels & Bryson, 2002; Hegazy & Gharab,

2014). Knowledge cannot easily be managed because it is on the mind of the individual, but Information is easily more identified, organized and distributed from the management's point of view. This makes knowledge management highly relevant in providing the appropriate environment for the individuals to operate effectively to the advantage of the organization (Terra & Terezinha, 2003).

There are different types of knowledge as spelt out by past research. These include explicit knowledge, implicit knowledge and tacit knowledge. O'Dell and Hubert (2011) described knowledge as components found in interactions between or among employees. Collins (2010) classified tacit knowledge into three (3). Relational tacit knowledge which include things we can describe in principle if effort is put in describing them; Somatic tacit knowledge which are the things our bodies can do but cannot be described and Collective tacit knowledge which include the type drawn from the society which could be rules or language. This type of knowledge was initially grouped as one by physical chemist and philosopher Michael Polanyi. Therefore, explicit knowledge is also known as formal or codified knowledge which comes in form of documents, contracts, process diagrams, manuals and so on; implicit knowledge is the type of information or knowledge that is not in tangible form but can also be explicit. These include information learnt; databases captured and stored implicit knowledge while tacit knowledge is the type that is learnt through experience or education, the type that is inherent and cannot be transferred; that becomes redundant through experience or education. It could be exhibited in interactions with employees and customers (O'Dell & Hubert, 2011).

Muhammed Ramdani and Hady (2020) examined the influence of knowledge management on organizational performance with Enterprise Resource Planning (ERP) as a mediating connector using 500 employees in a textile firm in Bandung County, with 250 samples as the population of the study. They used structure equating model (SEM) with the help of statistical packages of social sciences (SPSS) application in analyzing their data. They discovered that knowledge sharing has a great influence on organizational performance.

Obeso et al, (2020) researched on "knowledge management processes and organizational performance: the mediating role of organizational learning". They attempted to analyze the impact of knowledge management practices of individuals on the performance of a firm as well as the mediating role of organizational learning between knowledge management processes and performance of the organization. They conducted a telephone survey on 400 managers from Spanish firms. They employed multiple regression analysis to analyze the retrieved data and it was discovered that knowledge creation and knowledge sharing promote the performance of an organization; however, there was no established link between knowledge storage and knowledge performance. They also revealed that organizational learning mediate the relationship between knowledge sharing and performance. The study therefore reveals that not all knowledge management processes have direct positive effect on a firm's performance

Singh and Soltani (2016), researched on the Relationship between knowledge management and organizational performance: A Test on SMEs in Malaysia. They conceptualized knowledge management processes capabilities into four dimensional construct which were knowledge acquisition, knowledge conversion, knowledge application and knowledge protection; while they divided organizational performance into financial and non-financial performance. Findings revealed that knowledge management capabilities were important antecedents of organizational performance.

3. METHODOLOGY

The study focused on some selected deposit Banks in Lagos State. Five banks were used for the study which included Access Bank, First Bank, Guaranty Trust Bank, Diamond Bank and Zenith Bank. Three branches of each of these banks were investigated making a total of 15 Banks. These banks were selected for this study based on their high rate of customer deposit data on the Nigerian Bureau of Statistics Database, 2021. Managers on various levels as well as 30 randomly selected customers of three branches of each of these deposit banks were used for the study.

The study adopted a descriptive research design which is also known as a research survey design. The design established the relationship between knowledge management and organizational performance which were the independent and dependent variables respectively.

The method of data collection was from both primary and secondary data. Structured (closed-ended) questionnaire was used to solicit response from about 263 respondents.

A description of the demography of the respondents was presented by simple descriptive statistics. Tables, pie and bar charts were used to describe the respondents' information. In order to understand the dynamics of the relationship between the components of knowledge management, the respondents' information was collated as tables of percentages. These tables were further analyzed to determine the impact of the factors that made up the components of knowledge management. Each hypothesis was tested using regression analysis.

3.1 TEST OF HYPOTHESES

Hypothesis One: Knowledge Sharing.

H₀: Knowledge Sharing will not have positive effect on organizational performance in selected banks in Lagos, Nigeria.

H₁: Knowledge Sharing will have positive effect on organizational performance in selected banks in Lagos, Nigeria.

The regression analysis indicated R^2 is 0.9824. This means that there is a high level of correlation between the two constructs (knowledge sharing and organizational performance) tested. The p-value affirms this result.

Table 1: Summary of Hypothesis Test of Knowledge Sharing

Source	Partial SS	df	MS	F	Prob > F
Model	24630	4	4933.2	0	0.0353
	24630	1	6157.5		0.0353
Residual		1		121	
Total	24666	5			

A p- value of 0.0353 is indicates that the null hypothesis should be rejected, and the alternative hypothesis accepted, i.e.

$$P < 0.0121: \text{Reject } H_0 \text{ and Accept } H_1$$

Therefore, it is concluded that Knowledge Sharing significantly affects organizational performance in the selected banks.

Hypothesis Two: Knowledge Protection

H₀: Knowledge Protection will not influence organizational performance in selected banks in Lagos, Nigeria.

H₁: Knowledge Protection will significantly influence organizational performance in selected banks in Lagos, Nigeria.

R-squared = 0.9885 Root MSE = 6 Adj R-square = 9.9

Table 2: Summary of Hypothesis Test of Knowledge Protection

Source	Partial SS	df	MS	F	Prob > F
Model	24666	4	4933.2	0	0.0373
	24666	4	6157.5		
Residual	36	1		121	
Total	24666	5	4933.2		

A p- value of 0.0273 is indicates that the null hypothesis should be rejected, and the alternative hypothesis accepted, i.e.

$$P < 0.0121: \text{Reject } H_0 \text{ and Accept } H_1$$

Therefore, it is concluded that the extent of knowledge protection greatly influences the performance of organizational performance in the selected banks.

Table 3: Analysis of Variance

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig
Between People		204901.712	4	51225.428		
Within People	Between Items	3.472	24	.145	.000	1.000
	Residual	37526.688	96	390.903		
	Total	37530.160	120	312.751		
Total		242431.872	124	1955.096		
Grand Mean = 51.032						

The table above shows how well the regression equation fits the data; that is, its ability to predict the dependent variable. It indicates that the dependent variables were predicted by the regression model significantly well. This reflects the statistical significance of the regression model and how it predicted the outcome variable. This means it was a good fit for the data.

Knowledge Sharing

Var 1: Comfortable atmosphere

Var 2: Knowledge sharing through different means

Var 3: Use of modern technological network

Var 4: Provision of opportunity to employees

Var 5: Knowledge sharing amongst employees improved organizational performance.

Table 4: Correlation Matrix between Knowledge Sharing and Organizational Performance.

Variable	Var 1	Var 2	Var 3	Var 4	Var 5
Var 1	1.0000				
Var 2	0.9960	1.0000			
Var 3	0.9784	0.9775	1.0000		
Var 4	0.6805	0.6550	0.5282	1.0000	
Var 5	0.9899	0.9873	0.9952	0.5944	1.0000

The table indicates that the provision of a comfortable environment has a visible impact on knowledge exchange through different means (99.6%). This level of relationship can be attributed to the effect of having a suitable atmosphere for training, workshops and seminars which promotes knowledge sharing in the organization.

Similarly, the effect of having a conducive atmosphere in organizations positively promotes the use of modern technological structures for quick knowledge dissemination (97.8%). It also has a noticeable effect on the improvement of the organization performance (98.9%).

Knowledge Protection

Var 1: Organization ensures protection of gained knowledge

Var 2: Low employee turnover guarding against leak of knowledge gained

Var 3: Mechanism in place to protect gained knowledge

Var 4: Employees are sensitive to protecting knowledge

Var 5: The extent of knowledge protection ensures industry leadership for the organization.

Table 5: Correlation Matrix for Knowledge Protection

Variable	Var 1	Var 2	Var 3	Var 4	Var 5
Var 1	1.0000				
Var 2	0.9789	1.0000			

Var 3	0.9332	0.9868	1.0000		
Var 4	0.9487	0.8674	0.7794	1.0000	
Var 5	0.9428	0.9875	0.9948	0.8061	1.0000

Table above shows that the protection of the knowledge gained by the employees of the organization affirms the low employee turnout (97.9%) which guards against knowledge leak. It is also indicative of the organization's drive (93.3%) to protect knowledge by putting in place mechanisms to protect the knowledge gained by its employees. The correlation matrix above indicates that as a result of the organization's high premium on knowledge protection (94.8%), employees are sensitive to protecting knowledge. It is also clear the protection of knowledge in the organization has helped her gain industry lead (94.3%).

4. DISCUSSION OF FINDINGS

This study dwelt on knowledge management as a driving force for organizational performance. It investigated how knowledge management process enhances organizational performance. It broke down knowledge management into two components which include knowledge sharing and knowledge protection. It examined the extent at which these variables led to organization performance in the area of customer satisfaction and market share expansion.

The study revealed that all the empirical findings supported previous studies. For instance, Obeso, Hernandez-Linares, Lopez-Fernandez, and Serrano-Bedia (2020) discovered that knowledge creation and knowledge sharing promote the performance of an organization. Danish and Munir (2012) found out that there was a significant relationship between knowledge sharing and organizational performance; while Schenkel and Teigland (2015) in their research on the impact of knowledge management practices on organizational performance, discovered that knowledge management activities brings about quality services to customers, high customer satisfaction, efficiency in resource utilization, more profits and overall, improve organizational performance.

Therefore, Findings revealed that knowledge management can greatly affect organizational performance.

5. CONCLUSION

The business world has become so toxic and competitive that it has become so impossible for organizations to stay afloat in its industry using the traditional methods of operations. Governments and business entities all over the world are now concerned about knowledge management. This is as a result of the recognition by the world economies and corporate organizations that knowledge is the main source of wealth in the 21st century.

Against this background, the various findings portrayed knowledge management as a necessary tool that would improve the performance of any organization. Therefore, if organizations and businesses alike want to enhance their

overall performance, they have to ensure to put in place adequate measure that can facilitate knowledge management.

For employees to be able to enhance the tacit knowledge and skills they have acquired through experience or learning and to use it to the advantage of the organization, enabling environment must be provided, the organization must ensure high use of technology, information must be readily made available to employees and there must be a reward system in place for outstanding performance as revealed in the study.

Also, organization must also ensure low employee turnover since the study revealed that it was a fast means of information leakage. Therefore, quality measures should be put in place that can guide against employee high turnover in organizations.

There should be strategic training and development structures put in place which could ensure employees are adequately trained and developed to meet the dynamic global business environment, in so doing, employees would begin to display special skills that would greatly be essential to the productivity of the organization. Without the necessary knowledge in place, an organization will continue to go around a circle while those that embrace knowledge management and its processes will blaze trail in their industry.

6. RECOMMENDATIONS

The recommendations spelt out based on the research findings included:

- i. Organizations should enhance the basic understanding of organizational knowledge management processes especially knowledge sharing and knowledge protection. This would greatly improve the overall performance of an organization.
- ii. Organizations and businesses should provide the enabling environment for their employees to share knowledge for improved job performance.
- iii. Organizations should put a system in place that makes use of modern technological network as this enhances knowledge sharing to the growth of the organization.
- iv. Organizations should also ensure effective reward system is in place that would motivate employees to put in their best in their discharge of duty.
- v. Organizations should create opportunities for their members to participate in dialogue, so as to exchange ideas. This ultimately makes them promptly respond to customers.
- vi. Organizations should ensure favourable working conditions for their members so as to reduce employee turnover as this could be a high risk to the protection of their gained knowledge.

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